THE WALL STREET JOURNAL.

DOW JONES | News Corp ****** WEDNESDAY, JANUARY 24, 2018 ~ VOL. CCLXXI NO. 19 WSJ.com ★★★★ $4.00

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What's News

Business & Finance

P&G said average prices on its products fell last quarter for the first time since 2011, while Kimberly-Clark said it would cut at least 5,000 jobs, reflecting the pressures faced by consumer brands. **A1**

◆ **The Senate confirmed** Powell to become the 16th chairman of the Federal Reserve, succeeding Yellen. **A2**

◆ **CSX will require** its CEO to submit to an annual physical exam that will be reviewed by the board. **A1**

◆ **JPMorgan plans** to invest $20 billion across its businesses as it benefits from the tax overhaul and regulatory changes. **B1**

◆ **Weinstein Co.'s owners** have entered exclusive talks to sell the studio to a Contreras-Sweet group for a little more than $500 million. **B1**

◆ **Twitter's Noto** is leaving the post of operating chief at the social-media firm to head online lender SoFi. **B1**

◆ **U.K. regulators** said Fox's ownership of all of Sky would give the Murdochs too much influence, but kept open options for a deal. **B3**

◆ **The S&P 500 rose** to a record following the latest batch of earnings. The Dow eased 3.79 to 26210.81. **B13**

◆ **Tesla revealed** a pay plan for Musk that is again tied to performance benchmarks, but with much grander goals. **B2**

◆ **The FDIC nominee** said she plans to focus on easing regulatory requirements for community banks. **B12**

◆ **UBS shuffled** the top ranks of its wealth-management division. **B12**

World-Wide

◆ **Fault lines on trade** were laid bare as 11 Pacific Rim nations agreed to forge a new bloc that excludes the U.S. and Trump signed orders to block certain Asian imports. **A1. A6**

◆ **Canada and Mexico** said they would cooperate in trying to address U.S. demands for Nafta. **A6**

◆ **A top FBI agent** expressed skepticism last spring about Mueller's probe of alleged Russian election meddling, a text message shows. **A3**

◆ **Sessions was** interviewed for several hours last week by investigators in the Russia probe. **A3**

◆ **A 15-year-old boy** shot and killed two students and wounded 12 more at a Kentucky high school. **A3**

◆ **A leading bipartisan** Senate immigration proposal is unacceptable to Trump, the White House said. **A4**

◆ **Five workers were killed** in an Oklahoma well blast, the deadliest drilling accident of the shale boom. **A3**

◆ **Tillerson said** he is holding Russia accountable for a new chemical strike believed to have been conducted by Syrian regime forces. **A9**

◆ **Qatar alleged** that rival Gulf nations tried to manipulate its currency and called for an investigation. **A8**

◆ **Egyptian authorities** arrested an ex-military chief who planned to run for president against Sisi. **A8**

◆ **Died: Hugh Masekela**, 78, South African jazz legend. **A11...Ursula Le Guin**, 88, science-fiction writer.

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Volcano Lights Up the Sky in the Philippines, as Fears Grow

JACK KURTZ/ZUMA PRESS

ON EDGE: Mayon, the Philippines' most active volcano, spewed lava and massive ash plumes Tuesday after a series of eruptions Monday, sending more than 56,000 villagers fleeing to evacuation centers. Officials warned that a more violent eruption could follow. **A11**

Global Trade Tensions Rise

Trump's tariffs spark criticism; Japanese, Indian officials cite protectionism concern

By Jacob M. Schlesinger

WASHINGTON—The emerging fault lines in the global trading system were laid bare Tuesday, as 11 Pacific Rim nations agreed to forge a new commercial bloc that excludes the U.S., while President Donald Trump signed orders to curb cheap Asian imports he said had unfairly harmed American manufacturers.

As Mr. Trump touted from the Oval Office his commitment "to defending American companies...very badly hurt from harmful import surges," U.S. allies grew more vocal in their concerns about what they view as the longtime leader of the world trading system turning inward.

"Now in some parts of the world, there is a move toward protectionism," Toshimitsu Motegi, the Japanese economy minister, said in Tokyo, announcing the agreement for the Trans-Pacific Partnership, redrafted after Mr. Trump pulled the U.S. out a year ago. "TPP-11 is a major engine to overcome such a phenomenon."

The debate is expected to intensify this week as it shifts to Davos, Switzerland, where Mr. Trump is scheduled Friday to explain and defend his emerging "America First" policies to the World Economic Forum, a group that has staunchly defended and fostered globalism over the past four decades.

As a sign of the arguments to come, Prime Minister Narendra Modi of India addressed the

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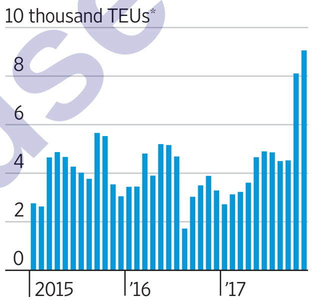
◆ Discord arises over tariffs' impact on jobs................ A6

◆ Warning signs dent growth confidence at Davos............ A7

Cleaning Up

Imports of large residential washers are surging



*Twenty-foot equivalent units (shipping containers)

Source: Panjiva

THE WALL STREET JOURNAL.

Price War Pressures Consumer Brands

By Sharon Terlep

Household goods from diapers to toilet paper to razors are getting cheaper, but what is a boon for shoppers is squeezing profits at the world's biggest consumer-goods companies.

Under pressure to boost sales, Procter & Gamble Co. resorted to widespread discounting late last year to win back customers. P&G, which makes Tide detergent and Pampers diapers, said Tuesday that average prices on its products fell in the most recent quarter for the first time since 2011.

Kimberly-Clark Corp., which sells Huggies diapers and Kleenex tissues, partly blamed its rival's lower prices for weak sales as it unveiled a broad restructuring Tuesday, including at least 5,000 layoffs.

A healthy U.S. economy and the lower corporate tax rate have done little to alleviate the challenges these companies face. Retailers such as Wal-Mart Stores Inc. are pushing for steeper discounts as they struggle to compete with Amazon.com Inc. Meantime, costs of pulp, oil and other raw materials used in the products have risen more than expected.

The dynamics are setting up a tug of war this year between consumer-products companies that are pouring money into new products and marketing in hopes of commanding higher prices, and retailers and shoppers increasingly accustomed to discounts.

Kimberly-Clark Chief Exec-

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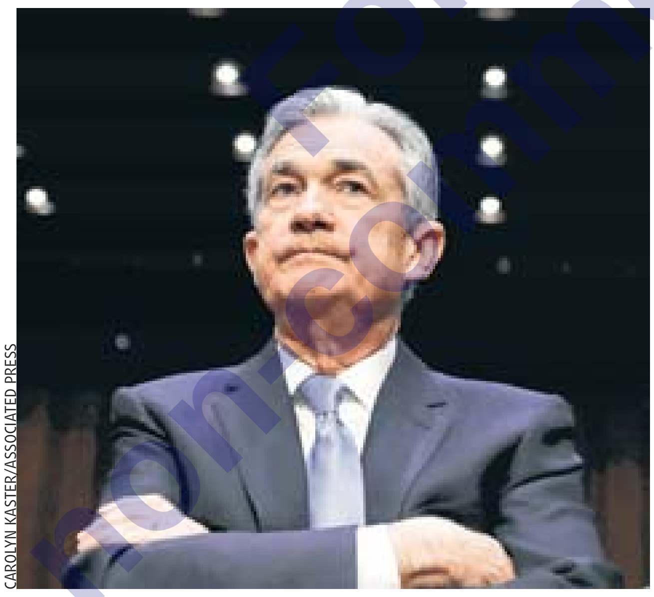
◆ Heard on the Street: Cuts alone won't save these firms........ B14

New Hand to Guide the Fed



CAROLYN KASTER/ASSOCIATED PRESS

BANK ON IT: Jerome Powell, confirmed Tuesday as Federal Reserve Board chairman by the Senate with bipartisan support, is expected to continue raising rates to keep the economy on track. **A2**

Founder and Protégé Clash At Hedge-Fund Giant

Och-Ziff is in turmoil after CEO sours on 34-year-old heir apparent

By Gregory Zuckerman and Rob Copeland

Once they were mentor and protégé. Now Daniel Och and James Levin are trapped in a battle for the future of one of New York's biggest investment firms.

In the late 1990s, Mr. Levin was working at a summer camp in Wisconsin, teaching Mr. Och's son how to water ski. By last year, the younger man was in line to succeed Mr. Och as chief executive of Och-Ziff Capital Management LLC, the largest publicly traded hedge fund in the U.S. with $33 billion in assets under management. To entice him to stick around, Mr. Och handed Mr. Levin, who is 34 years old and goes by Jimmy, nearly $300 million in cash and Och-Ziff stock.

Over Christmas weekend, Och-Ziff rushed out a letter to investors revealing that the 57-year-old Mr. Och had changed his mind, overruling others in the process. "After extensive discussion with the board of directors, including the company's independent directors, who support transitioning to Jimmy in the near future, it was the conclusion of Dan Och...that now is not the right time to transition to Jimmy."

Mr. Och himself has never publicly addressed why he soured on Mr. Levin and reasserted control at the big firm. Interviews with more than a dozen people close to the situation at Och-Ziff suggest that many inside the firm, including board members and Mr. Levin, were shocked by the shift. People familiar with Mr. Och's thinking say he felt

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For Scotch Whisky Purists, This Might Be Hard to Swallow

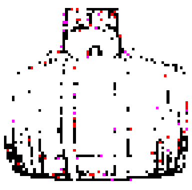
* * *

Secret documents outline effort to buck distilling traditions; tequila-barrel finish

By Saabira Chaudhuri

LONDON—Here's a neat story.

The documents involved are top secret. They detail a plot by a multinational company to challenge hundreds of years of tradition. Some find the suggestions so hard to swallow they are warning of rebellion.



Scotch barrel

The making of Scotch whisky has long followed a precise formula enshrined in law and precedent. Scotch must be distilled in Scotland from water and malted barley and aged in oak casks. It should come out at least 40% alcohol by volume.

Now Diageo PLC, the world's single biggest producer, wants to water down some of those rules, part of its attempt to arrest Scotch's declining market share. Last year, it formed a secret task force to explore ways to change some industry rules about how Scotch must be made.

One idea was to finish aging Scotch in old tequila barrels instead of the sherry, cognac or port casks traditionally used. Another was to create a "Scotch whisky infusion," a new category of flavored or low-alcohol blends sold under existing Scotch brands.

Diageo's efforts to win over the Scotch Whisky Association, which lays down rules for dis-

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FLOOD OF OSCAR NOMINATIONS FOR 'WATER'

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THE MAN BEHIND A BITCOIN JOLT

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CSX to Make CEO's Health Its Business

By Paul Ziobro

CSX Corp. will require the railroad's chief executive to submit to an annual physical exam that will be reviewed by the board, adopting an unusually aggressive approach to a delicate issue just weeks after the death of its previous CEO.

The railroad's board was under fire last year after it agreed to hire Hunter Harrison even though he declined to get a physical exam or provide access to his medical records—despite concerns about the then 72-year-old railroad veteran's health.

The board ultimately asked shareholders to vote on a pay package that in effect would bless the arrival of Mr. Harrison. The resolution passed with overwhelming support.

Mr. Harrison, who signed a four-year contract with the Jacksonville, Fla., company in March 2017, died Dec. 16 following unspecified health issues.

CSX's latest move is an attempt to address the sensitive issue of CEO health and how much boards are entitled to know about it, especially in cases where a company's fortunes are so closely tied to their leaders. CSX shares surged in January 2017 on news that Mr. Harrison wanted to run the company.

Securities laws don't explicitly require companies to disclose executive health problems, though companies must share material information that might affect investors' decisions to buy or sell stock.

Apple Inc.'s board never disclosed the specific reasons for two extended medical leaves by co-founder Steve Jobs, decisions that angered some shareholders. Mr. Jobs died in 2011 after battling pancreatic cancer.

United Continental Holdings Inc. told investors in October 2015 that its new CEO Oscar Munoz had been hospitalized

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U.S. NEWS

Senate Confirms Powell as Fed Chairman

Yellen's successor is likely to continue raising rates to keep the expansion on track

BY DAVID HARRISON

The Senate confirmed Jerome Powell to become the 16th chairman of the Federal Reserve, clearing the way for a new leader likely to continue raising interest rates to keep the nation's economic expansion on track.

Mr. Powell, who was confirmed Tuesday by an 84-13 vote, will take over when Chairwoman Janet Yellen's four-year term as chief ends Feb. 3. She has said she would leave the Fed board of governors once her successor is sworn in.

Although Mr. Powell's nomination attracted broad bipartisan support, it also drew opposition from several potential contenders in the 2020 presidential race. On the Democratic side, those voting against his confirmation included Sens. Elizabeth Warren of Massachusetts, Kamala Harris of California and Cory Booker of New Jersey. On the Republican side, Sens. Ted Cruz of Texas, Rand Paul of Kentucky, Mike Lee of Utah and Marco Rubio of Florida voted no. Independent Sen. Bernie Sanders of Vermont also opposed the nomination.


OLIVIER DOULIERY/BLOOMBERG NEWS
Jerome Powell, confirmed by an 84-13 vote, will take over next month.

Mr. Powell, a Fed governor since 2012, will inherit an economy on the upswing fueled by a booming labor market and strong global growth. His task will be to sustain the economy's expansion without letting it pick up so much momentum that the Fed would be forced to cool it off with sharp rate increases, risking a downturn.

The Fed has been gradually raising short-term interest rates since late 2015 and last year started shrinking its portfolio of assets purchased to bolster the economy during and after the financial crisis.

Officials in December raised the Fed's benchmark rate by a quarter percentage point to a range between 1.25% and 1.5% and penciled in three more such moves this year.

Mr. Powell is likely to stick with Ms. Yellen's cautious approach to raising rates.

"We've been patient in removing accommodation, and I think that patience has served us well," Mr. Powell said at his confirmation hearing Nov. 28, after being nominated by President Donald Trump on Nov. 2. Now that growth has picked up, "it's time for us to be normalizing interest rates," he added.

But those plans could change depending on how the economy evolves. If inflation remains stuck below the Fed's 2% target, Mr. Powell and his colleagues could decide to hold off on rate increases to let price pressures build. Or if the economy shows signs of overheating, they might want to move more aggressively.

A spurt of growth driven by the tax overhaul could lead the Fed to raise rates more quickly to cool off the economy. That could place Mr. Powell at odds with the White House, which would welcome a stronger expansion.

"We can afford to go more slowly if we determine that inflation is going to perform lower than we thought, and we can move more quickly," Mr. Powell said in November.

Mr. Powell, a lawyer and former private-equity partner, moves into his new role with less formal training in economics and monetary policy than many of his predecessors. He will be the first Fed chairman in three decades who doesn't have a Ph.D. in economics.

Mr. Powell is the second of Mr. Trump's Fed nominees to be confirmed, following Randal Quarles.

But Mr. Powell still will have to contend with a depleted Fed board: The seven-member panel has three vacancies.

Mr. Trump has nominated Marvin Goodfriend, a Carnegie Mellon University professor and former Fed economist, to fill one of those positions. The Senate Banking Committee held his confirmation hearing Tuesday.

◆ FDIC nominee backs small banks........................ B12

States Confront Pluses, Minuses Of New Tax Law

BY RICHARD RUBIN

State legislatures across the U.S. will be wrestling in coming months over how to respond to federal income-tax cuts that, paradoxically, could raise tax bills at the state level.

Many states typically follow the federal government's rules for deductions, exemptions and other breaks. When federal rules change, as they did under the law passed late last year, state rules often do, too.

State lawmakers must choose whether to conform their systems to the new federal rules, cut tax rates to prevent rising tax burdens or spend potential revenue windfalls.

The outcomes will be determined in state legislative sessions now opening across the country.

"Everyone thought that tax reform was done," said Nicole Kaeding, an economist at the conservative-leaning Tax Foundation in Washington. "All we've done is move it from one capital to 50 capitals."

The new federal legislation curtailed many tax breaks, such as individual deductions for mortgage interest and tax-preparation fees and business deductions for interest and entertainment expenses. While federal rate cuts more than offset those changes, state rates haven't changed. So if states adopt the new, broader federal income tax base, it could mean higher state taxes for many.

Big Collectors

Percentage of state-tax revenue from individual income taxes

Oregon	69.6
Virginia	57.7
New York	57.2
Massachusetts	52.9
California	52
Colorado	50.7
Connecticut	49.6
Missouri	49.2
Georgia	48.7
Utah	47.6

Source: U.S. Bureau of the Census via Federation of Tax Administrators

New York shows one of the quandaries. Its Department of Taxation and Finance issued a report last week estimating that the federal government's new limit on business-interest deductions would yield $45 million in tax revenue for New York. For individuals, a quirk of the way the personal exemption is written for single filers in New York could mean an $840 million tax increase, while the expanded federal child tax credit could cause a $500 million state tax cut for households with children.

"States have some difficult choices to make," said Phil Oliff, a senior manager at the Pew Charitable Trusts who tracks state fiscal policy.

State lawmakers also are wrestling with how to adjust to the federal government's decision to limit deductibility of state and local income and property taxes. That move will raise federal tax bills for some households in many high-tax states, such as New York and California. State lawmakers are exploring steps to soften that blow.


DAVID ZALUBOWSKI/ASSOCIATED PRESS
One lawmaker suggests Colorado use additional tax revenues for infrastructure investments, including bonds to widen Interstate 70, above.

Colorado could get an additional $3.2 billion to $4.2 billion over the next decade, says Michael Hartman, executive director of the Department of Revenue. Democratic Gov. John Hickenlooper wants to put that money into infrastructure, education and the state's rainy-day fund. Senate President Kevin Grantham, a Republican, said the state could use added revenues to fund up to $3 billion in bonds to widen Interstates 25 and 70 and make other infrastructure investments.

In Minnesota, Republican State Rep. Greg Davids, chairman of the House Taxes Committee, said he was trying to figure out who would pay more in state taxes, then change state law to reverse that effect. "Of course my good friend the governor has a wish list of things he wants," he said, speaking of Democratic Gov. Mark Dayton. "I want to get the money back to the people who paid it in. So we have some differences."

Asked to comment, Mr. Dayton's office deferred to the state's Department of Revenue, which says it is still studying the federal-tax law and looking forward to working with legislators.

Businesses are watching cautiously, too. As the federal corporate tax rate drops to 21% from 35%, state taxes will be an increasingly important part of corporate planning.

Many in the South Expect Tax Boon

Tennessee Gov. Bill Haslam has a vastly different message about the new tax law than some of his fellow governors up North, and it can be summarized in three words: Bring it on.

The Republican, who is serving his second term as governor, says the old code advantaged residents in high-tax states because it allowed them to deduct an unlimited number of state and local taxes from federal ones.

"That's not going to be true anymore," Mr. Haslam said. "We governments have a price just like a business does. And, by the way, customers get to choose where they do business."

Southern states, where economic growth is outpacing Northern counterparts, are predicting that a new $10,000 cap on the federal deductions taxpayers can take for state and local taxes will make low-tax states more attractive for workers and businesses.

The South's optimism contrasts with worries in many Northern states that the changes will hurt their economies, where higher state and local taxes were offset, in part, by federal deductions for decades.

Southern states have been drawing migrants from Northern states for years, making it now the most populous region in the country—a demographic shift that Mark Vitner, a Charlotte, N.C.-based senior economist for Wells Fargo & Co., calls "the affordability migration."

Property tax rates in the North are generally higher than down South, according to a 2015 report by the Tax Foundation, a conservative Washington-based group that tracks taxation across the U.S. The foundation found that the mean effective property tax rate in New York was 1.64% and 2.32% in Illinois, compared with 0.75% in Tennessee and 1.06% in Florida. Florida has no state income tax, while Tennessee has no state taxes on wages.

Job growth in the South has outpaced that in the Northeast in recent decades. Nonfarm employees in the region—as defined by the U.S. Census Bureau—of 16 states and the District of Columbia rose 23% between 1997 and 2016, outpacing the 17% growth of the national workforce, according to the U.S. Bureau of Labor Statistics. In the Northeast, growth was 12%.

The region, however, also has the highest rate of poverty of the regions tracked by the Census Bureau. And education levels are lower. For example, in Tennessee, 25% of people over 25 years old have a bachelor's degree or higher, compared with 35% of the same population in New York.

While people and businesses have been moving South for a host of reasons, "research shows taxes matter," said William Fox, an economist and director of the University of Tennessee's Boyd Center for Business & Economic Research.

Mr. Fox, who has studied migration to the South for years, said he expected the tax changes to have two main impacts for Southern states: more high-earners declaring their permanent residence in the region, and more middle-class workers relocating from the North.

Gov. Haslam said Tennessee and Southern neighbors have worked for years to keep taxes and other costs low in part to woo Northern migrants and businesses. The tax law "accelerates a trend that is already happening," he said.

—Cameron McWhirter and Arian Campo-Flores

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CORRECTIONS & AMPLIFICATIONS

Federal Reserve officials voted to raise rates in December to a range between 1.25% and 1.5%. An article Tuesday in the World Economic Forum Outlook 2018 section about the challenges facing Fed leadership incorrectly said rates rose to a range between 1.25% and 2.5%.

Reba McEntire made her debut as a singer in a hotel lobby in Cheyenne, Wyo. A Review article on Saturday about Ms. McEntire incorrectly said her debut was in Cheyenne, Okla.

The HBO show "Vice Principals" is about rival educators in South Carolina. A Business & Finance article Jan. 16 about HBO incorrectly said the show is set in Florida.

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

Shooter Kills Two Students

By Valerie Bauerlein
And Cameron McWhirter

A 15-year-old boy shot and killed two students and wounded 12 more Tuesday at a Kentucky high school, Gov. Matt Bevin said.

A girl died at the scene at Marshall County High School in Benton, Ky., and a boy died while being treated at a trauma center, Mr. Bevin said. Both were 15.

The suspect was taken into custody peacefully at the scene, and will face murder and attempted murder charges, the governor said.

The student opened fire at 7:57 a.m., law-enforcement officials said. A 911 call was made at 7:59 a.m., and the first officers arrived on the scene at 8:06 a.m., said Kentucky State Police Commissioner Richard Sanders.

Mr. Sanders didn't provide more details about the shooter or a possible motive. He said the investigation, involving Kentucky State Police, the Federal Bureau of Investigation and other agencies, would take time. "There is a lot yet to be done," Mr. Sanders said.

Another five people were hurt during the incident in other ways, said Mr. Bevin. He said all of those injured and killed were believed to be students, but that officials were still investigating.

Benton is a town of 4,500 people in the southwestern part of the state. The governor described the shooting as "heartbreaking."

The shooting was among the first mass shootings of 2018, following a violent 2017.

RYAN HERMENS/THE PADUCAH SUN/ASSOCIATED PRESS

A candlelight vigil at Impact Church in Benton, Ky., for victims of the Marshall County High School shooting Tuesday morning.

FBI Agent Was Wary of Probe Into Russian Meddling

By Del Quentin Wilber
And Aruna Viswanatha

A top FBI agent expressed skepticism last spring about the burgeoning investigation into Trump associates' ties to alleged Russian electoral meddling, according to a newly released text message that was sent months before his texts critical of the president cost him his role in the probe.

The agent, Peter Strzok, sent a message to a colleague suggesting he was hesitant to join special counsel Robert Mueller's recently formed team investigating Russia's role in the 2016 election because "my gut sense and concern is there's no big there there."

Mr. Strzok sent the text just before 9 p.m. on May 18, the day after Mr. Mueller was tapped to be special counsel. Mr. Strzok supervised the investigation into Democrat Hillary Clinton's use of a private email server while she was secretary of state and was to become the lead agent on Mr. Mueller's team.

He was removed in July, however, after the Justice Department's inspector general uncovered numerous text messages between Mr. Strzok and Lisa Page, a lawyer at the Federal Bureau of Investigation, in 2015 and 2016 that were highly critical of Mr. Trump, a Republican.

The text was made public by Sen. Ron Johnson (R., Wis.), chairman of the Senate Homeland Security and Governmental Affairs Committee.

Mr. Johnson didn't release any later texts from Mr. Strzok on the matter, so it wasn't clear how his thoughts on the investigation may have evolved.

Mr. Mueller has been examining, among other things, whether anyone tried to obstruct the Russia investigation, including through Mr. Trump's firing of former Federal Bureau of Investigation Director James Comey.

Mr. Trump has denied any links between his associates and Russia, although two of Mr. Trump's campaign advisers have pleaded guilty to lying to the FBI about their contacts with Russia, including former national security adviser Mike Flynn.

Mr. Mueller's team has indicted two other officials, including Trump campaign Chairman Paul Manafort, for alleged financial misdeeds in work that predated the campaign. They have pleaded not guilty.

Fresh evidence also emerged on Tuesday that FBI Director Christopher Wray has pushed back on attempts by the administration to reassign FBI officials who were appointed by Mr. Comey.

One of those officials, Deputy FBI Director Andrew McCabe, has repeatedly been a target of Mr. Trump on Twitter, dating back to when his wife ran for a local office in 2015 with the support of a Clinton ally.

Attorney General Jeff Sessions has suggested to Mr. Wray that he should reassign Mr. McCabe, according to people familiar with the matter, but Mr. Wray has resisted such entreaties.

Mr. Wray respects Mr. McCabe for running the bureau as interim director after Mr. Comey's firing and for not engaging in a public dispute with the president, associates said.

Mr. Wray also doesn't want to be seen as bowing to political pressure, they said. Mr. Wray, who became FBI director in August, has begun taking steps to reshuffle the bureau's leadership.

A former law partner of Mr. Wray's, Zachary Harmon, takes over next week as chief of staff, and the bureau's general counsel, Jim Baker, was reassigned in December.

Dana Boente, the acting head of the Justice Department's National Security Division, has agreed to take the general-counsel job, according to a person who knows him.

Attorney General Faced Questioning

Attorney General Jeff Sessions was interviewed for several hours last week by the special counsel's office investigating alleged Russian meddling in the 2016 election, a Justice Department spokesman said.

Mr. Sessions recused himself from the investigation last year following the disclosure that he had conversations with a Russian official while advising the Trump campaign in 2016. That left his deputy, Rod Rosenstein, in charge of the Russia matter. The attorney general had been expected to be interviewed.

Special counsel Robert Mueller has been examining, among other things, whether anyone tried to obstruct the investigation, including through President Donald Trump's firing of former Federal Bureau of Investigation Director James Comey.

Both Mr. Sessions and Mr. Rosenstein were involved in Mr. Comey's firing. Mr. Rosenstein was questioned by investigators in the summer. He has remained in charge of the probe.

Mr. Trump is also likely to answer questions from Mr. Mueller in coming weeks. Those questions are expected to focus on the Comey firing and on Mr. Trump's alleged request to Mr. Comey to ease off of an investigation of former national security adviser Mike Flynn, according to people familiar with the matter.

The special counsel is also expected to ask about Mr. Trump's decision to fire Mr. Flynn, the people said. Mr. Trump at the time said Mr. Flynn's firing was because the national security adviser had misled Vice President Mike Pence.

Mr. Trump's personal attorneys, along with White House lawyer Ty Cobb, have discussed accepting written questions from Mr. Mueller and delivering written answers from the president to queries they deem appropriate, according to people familiar with the matter.

They are also considering allowing Mr. Trump to sit for an interview on certain topics, the people said. Former prosecutors say they are skeptical Mr. Mueller's team would be satisfied by written questions and answers. Mr. Cobb declined to comment, as did John Dowd, who heads Mr. Trump's private legal team.

Mr. Sessions is one of the highest-level officials to be interviewed by the special counsel's office. Mr. Mueller's office interviewed Mr. Comey last year, according to a person familiar with the matter.

Mr. Sessions' interview was reported earlier by the New York Times. The Justice Department spokesman, Ian Prior, declined to comment on the substance of the interview. A spokesman for Mr. Mueller declined to comment.

—Aruna Viswanatha and Rebecca Ballhaus

CAROLYN KASTER/ASSOCIATED PRESS

Attorney General Jeff Sessions was interviewed last week as part of the Russia investigation.

Deadly Shale-Drilling Blast Is Investigated

By Lynn Cook
And Russell Gold

Five workers were killed in a well explosion in Oklahoma, officials said Tuesday, in the deadliest shale-drilling accident since the upsurge in U.S. oil and gas production began a decade ago.

All five were in an office off the elevated drilling floor when the blast occurred on Monday morning about 150 miles east of Oklahoma City, said Chris Moore, sheriff of Pittsburg County, Okla.

Seventeen workers survived, including one who slid down a steel cable called a "Geronimo line" from the top of the drilling derrick. "There was an explosion, they heard a loud boom, seen a fire and they ran," Mr. Moore said.

The natural-gas well was being drilled by Patterson-UTI Energy Inc., a Houston-based drilling company, for operator Red Mountain Energy, a small, Oklahoma-based producer. Three of the victims were Patterson employees. Authorities haven't said who employed the two other victims.

Andy Hendricks, president and chief executive of Patterson since late 2012, said the company was intent on finding out what went wrong.

"This incident is an absolute tragedy," he said in an interview on Tuesday afternoon. "Our people are our priority."

A fire burned for most of the day after the initial blast at 8:45 a.m. on Monday, eventually toppling the drilling rig's derrick.

Attempts to remotely activate a blowout preventer—a series of valves and shears atop the well—and stop the unimpeded flow of gas were unsuccessful. On Monday night, workers were able to get close enough to the well bore to physically turn a mechanism that sealed off the well, ending the fire, according to Patterson.

"Our staff is absolutely devastated. This is the first time we've ever encountered anything like this," said Tony Say, president of Red Mountain Energy.

It wasn't a first for Patterson. Between 2010 and 2013, there were seven separate incidents resulting in seven deaths on Patterson drilling locations, according to data from the Occupational Safety and Health Administration. That was one of the worst safety records over that span for any land-based oil-and-gas company.

Since 2010, Helmerich & Payne Inc., the largest oil and gas well drilling company, has had two fatalities, according to federal records.

OSHA opened an investigation, but said it wouldn't have any new information until it was complete, a spokesman for the federal agency said.

The rig drilling used at the Red Mountain well was one of the industry's largest, fastest and most technologically advanced. A new one cost nearly $25 million, according to industry advisory firm Evercore ISI.

It was outfitted with data recorders that could yield important drilling information, such as underground pressures, that may shed light on what caused the explosion. Patterson operates a fleet of 199 similar rigs.

The dead were identified as Josh Ray, 35, of Fort Worth, Texas; Matt Smith, 29, of McAlester, Okla.; Cody Risk, 26, of Wellington, Colo.; Parker Waldridge, 60, of Crescent, Okla.; and Roger Cunningham, 55, Seminole, Okla.

Drilling and fracking for oil and gas is a dangerous—and often deadly—business. The work involves maneuvering heavy pieces of steel pipe and equipment and working with highly pressurized hoses. The drill floor and tanks can contain highly flammable gases.

CHRISTINA GOODVOICE/KOTV/ASSOCIATED PRESS

Fires burned at an eastern Oklahoma drilling rig on Monday, where five people were killed.

ANDREW HARNIK/ASSOCIATED PRESS

Immigration advocates rallied in Washington on Tuesday, a day after the Senate GOP leader promised to bring to the floor a bill addressing 'Dreamers' in coming weeks.

Schumer Works to Mend Party Split

Top Senate Democrat makes his case against progressives who say he caved on shutdown

By Natalie Andrews And Janet Hook

WASHINGTON—Sen. Chuck Schumer, after leading Democrats into and out of a government shutdown, worked Tuesday to mend a breach in party ranks and to push back against progressive groups who said he capitulated to Republicans.

"We are a lot better off today when it comes to the cause of Dreamers than we were four or five days ago," Mr. Schumer said. "When there is a Republican president and a Republican Senate and a Republican House that are quite recalcitrant against Dreamers, you are not going to get it all at once."

His comments came after fierce criticism from progressive activists, who accused Democrats of throwing in the towel without an agreement in hand to protect young immigrants known as Dreamers. The twin 81-18 votes Monday ending the shutdown also highlighted the splits within the caucus: The 16 senators of the Democratic caucus who voted against the bill comprised many of the party's progressives and possible 2020 presidential candidates.

The tensions between centrist lawmakers and the party's progressive wing aren't new, but they were largely papered over during the past year as Democrats of all stripes united in opposition to President Donald Trump, fighting the attempted repeal of the Affordable Care Act and the GOP tax overhaul.

But progressive groups, energized by Democratic election wins in the Virginia governor and local races, as well as the Alabama Senate race last year, said the decision to end the shutdown was a dispiriting miscalculation.

"If you want to know why we lost in 2016 and why a Democratic wave in 2018 is far from guaranteed, despite the deep level of disgust for Donald Trump, look no further than this weak and profoundly disappointing cave from Senate Democrats," said Charles Chamberlain, executive director of Democracy for America.

Mr. Schumer had urged Democrats to join Republicans on Monday to fund the government and end the shutdown, following assurances from Senate Majority Leader Mitch McConnell (R., Ky.) that he would bring to the floor a bill addressing Dreamers in coming weeks. Many Democrats who had voted "no" on an unsuccessful effort Friday night to fund the government changed their vote on Monday, but more than a dozen didn't.

In his comments Tuesday, Mr. Schumer said he was "pleased" with the outcome of the debate because it turned the spotlight on the cause of the Dreamers and gave new momentum to the effort to help them despite opposition from many Republicans. He also rescinded his offer to President Trump from Friday to provide funding for a border wall in exchange for an agreement to protect the young immigrants who were in danger of being deported because of the president's decision to end the Deferred Action for Childhood Arrivals program, or DACA.

"The wall offer is off the table," Mr. Schumer told reporters Tuesday. "That was part of a package....We're going to have to start on a new basis."

In a tweet Tuesday night, Mr. Trump responded, "Cryin' Chuck Schumer fully understands, especially after his humiliating defeat, that if there is no Wall, there is no DACA."

White House Dismisses Immigration Plan

By Louise Radnofsky

WASHINGTON—A leading bipartisan Senate immigration proposal is "totally unacceptable" to President Donald Trump and "should be declared dead on arrival," the White House said Tuesday, reaffirming a hard line on a contentious issue that has become entangled with U.S. government funding in recent weeks.

The proposed plan by three Democrats and three Republicans including GOP Sens. Jeff Flake of Arizona and Lindsey Graham of South Carolina, and Democrat Dick Durbin of Illinois, was criticized by White House press secretary Sarah Huckabee Sanders on Tuesday.

The plan doesn't meet all four benchmarks set by Mr. Trump, Ms. Sanders said, including increased border-security funding, an end to the diversity visa-lottery program and family-based immigration and a "permanent solution" to the future of the young immigrants who were brought to the U.S. illegally as children, a group sometimes known as the Dreamers.

AARON P. BERNSTEIN/REUTERS

Sen. Lindsey Graham said on Tuesday that the plan was meant 'to jump-start the conversation.'

"That was never even introduced," Mr. Flake said of the Graham-Durbin plan. "Any immigration bill that we come up with will have some concepts from various bills, but we never expected that to be the final product."

It "was never meant to be a bill—that was meant to be a proposal to jump-start the conversation we have," said Mr. Graham.

The Graham-Durbin plan would legalize the Dreamers, with a 10-to-12-year path to citizenship, and provide about $2.7 billion in funding for border security and operations. It would end the diversity visa lottery, which randomly awards 50,000 green cards to would-be immigrants from underrepresented countries, and impose a modest limit on green-card holders to sponsor adult children for immigration to the U.S.

Elements of the Graham-Durbin plan are likely to be part of the coming Senate debate on immigration, which Majority Leader Mitch McConnell (R., Ky.) promised in return for Democratic support for ending the government shutdown.

Doctor in ICE Case Probed on Abuse Also

By Alicia A. Caldwell

A Michigan doctor whose arrest on immigration charges has drawn national scrutiny was separately investigated for child abuse within his family, according to people with knowledge of the investigation.

Dr. Lukasz Niec, a 43-year-old native of Poland and green-card holder, was arrested a week ago at his Kalamazoo home. Federal officials said he had 18 encounters with local law enforcement, though they declined to describe the nature of most of those encounters.

A notice to appear in immigration court cited a pair of misdemeanor convictions from 1992, when he was 17, as the reason for his arrest.

However, an ICE official said that the child-abuse investigation factored into the agency's decision to arrest him on immigration charges. The doctor's sister and lawyer deny the abuse allegations against him.

Dr. Niec's sister, Iwona Niec Villaire, said the abuse investigation stems from a contentious previous relationship and the allegations are unfounded. She said "allegations of abuse of their daughter were investigated by the state police and found without merit."

Dr. Niec has lived legally in U.S. for 40 years and is a permanent resident.

Michigan state police officials didn't immediately respond to a request for comment.

Dr. Niec's attorney, Russell Abrutyn, said he was looking into the abuse allegations. "The little information I have now indicates that the charges are unsubstantiated and will be dismissed," he said.

A Michigan Child Protective Services official said he couldn't comment on the existence of child-abuse investigations in the state.

The White House has directed immigration authorities to focus efforts on both illegal immigration at the border and arresting immigrants living in the country who are suspected, accused or convicted of committing a crime. ICE said Tuesday that no class of immigrants will be exempted from immigration enforcement.

Dr. Niec, an internal-medicine specialist, has lived legally in the U.S. for nearly 40 years and is a legal permanent resident. That status makes him more difficult to deport.

Dr. Niec is being held by ICE in the Calhoun County Jail, about 100 miles west of Detroit, pending the outcome of his deportation case.

SALES

Continued from Page One

utive Tom Falk said in an interview that P&G's discounting, along with pressure from retailers and a decline in the U.S. birthrate, have reduced demand for the company's baby-related products and other items. That is driving the industrywide push to cut prices, he said.

However, Mr. Falk said, the competition hasn't reached the intensity of previous eras. "It's not the worst I've ever seen by far," he said, recalling a time in the 1990s when P&G cut diaper prices by 10%. "There have been more aggressive price wars."

P&G, Kimberly-Clark and Johnson & Johnson reported earnings Tuesday. J&J CEO Alex Gorsky told analysts and investors on a conference call that the company's consumer-health business had maintained market share despite a "global category slowdown" for the goods. (See article on page B3.)

He acknowledged J&J needed to do more to accelerate the consumer-health unit's growth, and pledged to take a number of steps. That includes "relaunching" the Johnson's Baby franchise, which includes baby shampoo, "with new formulations and new packaging to meet the purchasing preferences of millennial parents."

For its part, P&G aims to combat price pressure with new offerings and by focusing on the higher end of the market, where products have richer margins and shoppers are more willing to spend, finance chief Jon Moeller said on a call with analysts. He pointed to the company's new Oral B power toothbrush and pricier new Olay skin-care products as examples, and added that the discounting won't last.

Consumer-products makers face growing demand to keep lowering their prices.

Lower prices had the biggest impact in P&G's grooming segment, where the company last year took the unusual step of publicly announcing plans to slash prices across its Gillette razor brand amid market share losses to cheaper online competitors. But pricing also fell by 1% on average in its health care, household goods and personal-care units.

P&G has been under pressure from activist investor Trian Fund Management to improve its performance, and recently ended a high-profile proxy fight by giving Trian co-founder Nelson Peltz a seat on its board. Mr. Peltz has argued the company is overly complex and has failed to keep pace with recent trends.

Bernstein analyst Ali Dibadj questioned whether lower prices are a new reality for the industry, a particular concern for investors as prices on raw materials have been going up.

"Arguably you have been pricing below your market inflation rates for years now," Mr. Dibadj said on the call with P&G. In the consumer-products industry, "pricing not keeping up with inflation seems to be a bit of a trend now. Is this retailers pushing back? Are consumers saying, 'These are commodities?' "

In response, Mr. Moeller said, "You are right to point to this as a pain point in the immediate present."

Price reductions by big household brands are overdue, said Gary Stibel, founder of New England Consulting Group in Westport, Conn., in an interview.

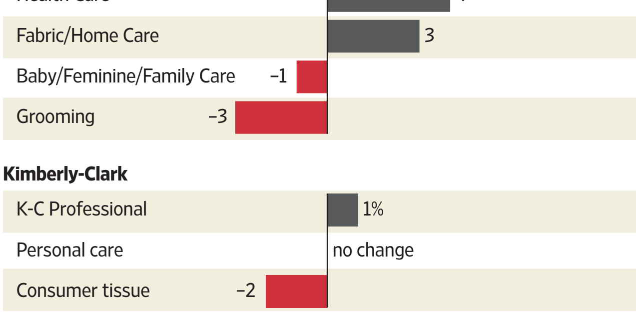
"Prices have gone so high they've made themselves vulnerable to discounters," he said. "When you take pricing [increases] year after year, you raise the umbrella to a point that others can slip underneath it."

U.S. pricing on Kimberly-Clark's disposable diapers dropped 0.8% last year, while P&G's diaper prices fell 0.4%, according to Nielsen figures provided by Wells Fargo. Paper-towel prices slid 2.7% last year for Kimberly-Clark, while P&G's paper-towel prices rose 1.8%. Nielsen's figures exclude online sales, some retailers and promotional activity, such as coupons.

Under Pressure

P&G's price cut across its Gillette brand contributed to a sales decline in grooming, while Kimberly said a lower birth rate hurt demand for tissues.

Organic sales, change from previous year (latest quarter)



Notes: Organic sales exclude currency changes, acquisitions and divestments
Source: the companies
THE WALL STREET JOURNAL.

P&G said organic sales, a closely watched metric that strips out currency moves, acquisitions and divestitures, rose 2% in the quarter ended Dec. 31.

In all for its fiscal second quarter, the Cincinnati-based company reported earnings of $2.5 billion, or 93 cents a share, down from a profit of $7.88 billion, or $2.88 a share, a year earlier. The prior year's quarter included a benefit from a divestiture. On an adjusted basis, earnings rose 10% to $1.19 per share. Quarterly revenue rose 3.2% to $17.4 billion.

P&G's decision to streamline its beauty business by selling the bulk of it to Coty Inc. in 2016 helped organic sales in the segment to jump 9%—the largest margin among company segments—during the quarter.

Kimberly-Clark said it would cut about 13% of its global workforce, or at least 5,000 jobs. The Irving, Texas-based company had entered 2017 predicting 2% organic sales growth but ended the year with flat sales. It expects just 1% growth for 2018.

—Imani Moise and Jonathan D. Rockoff contributed to this article.

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Ronald M. Bergeron, Sr.


Don R. Daseke


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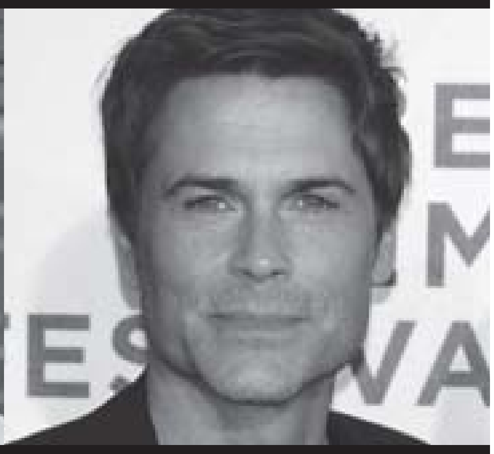
David Johnston (Canada)


Larry Lawson


James J. Liautaud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Discord Arises Over Tariffs' Impact

By Erin Ailworth And Andrew Tangel

JOE RAEDLE/GETTY IMAGES

Workers installing a solar panel on a home in Palmetto Bay, Fla., on Tuesday, a day after the U.S. announced new tariffs.

President Donald Trump's move to slap tariffs on imported solar panels and washing machines is meant to revive domestic industries struggling to fend off foreign competition. But in the affected sectors, there is little agreement on whether it will jump-start U.S. manufacturing and jobs.

Solar-industry leaders said tariffs will slow growth in solar-panel installations and in the jobs they create, which are more plentiful than in solar-cell manufacturing, a relatively small industry in the U.S.

South Korean and U.S. washing-machine makers, meanwhile, tussled over whether the trade restrictions will help or hurt domestic employment, with foreign manufacturers arguing that they will hamstring their efforts to make more appliances at new plants in America.

The tariffs, announced Monday and signed by Mr. Trump in the Oval Office on Tuesday, signaled a broader policy aimed at prodding foreign companies to shift production to the U.S. as a way to boost manufacturing employment.

"We're going to benefit our consumers and we're going to create a lot of jobs," Mr. Trump said.

But the most immediate impact may be retaliation by trade partners, as well as an invitation for more U.S. companies to seek help, said Chad P. Bown, a senior fellow at the Peterson Institute for International Economics in Washington. That, in turn, could trigger additional trade skirmishes and fallout for U.S. workers and consumers.

"This is now really starting to escalate," Mr. Bown said. "The concern is that now we're at a tipping point."

The solar trade protection—which applies to solar panels as well as cells, the solar-panel components that convert sunlight into electricity—is a 30% tariff in the first year, declining to 15% by a fourth year. The first 2.5 gigawatts of cells imported annually are exempt from the tariff.

Domestically produced solar panels roughly accounted for 10% of installed solar capacity in the U.S. in 2017, according to GTM Research.

The tariff split the U.S. solar industry, with panel sellers and installers largely opposing it on grounds that it will drive up consumer prices, causing sales to slow and leading to a loss of related sales and installation jobs.

The Solar Energy Industries Association forecast that the trade protections will cost 23,000 U.S. jobs this year and cause billions of dollars in solar investments to be delayed or canceled.

"When costs go up, prices go up," said Ed Fenster, co-founder and executive chairman of leading home solar installer **Sunrun** Inc.

Critics noted that the two companies that petitioned the federal government for relief in the form of import tariffs were imperfect beneficiaries for an "America First" trade policy, as both are foreign-owned: SolarWorld Americas Inc., by a German company, and Suniva Inc., owned in part by a Chinese manufacturer.

But some solar manufacturers expressed optimism. Juergen Stein, chief executive of **SolarWorld Americas**, said he was hopeful that the tariffs and quotas Mr. Trump approved will be enough to "address the import surge and rebuild solar manufacturing in the United States."

At least one foreign manufacturer is also already looking to open facilities in the U.S.

The unnamed company, which is billed as a "leading international manufacturer of solar panels and modules," approached city officials in Jacksonville, Fla., in early January about opening what it called its first manufacturing and assembly operation in the U.S., with a commitment to create as many as 800 jobs by the end of 2019, according to records filed in the city.

On large residential washing machines, the Trump administration is imposing 20% tariffs on the first 1.2 million units annually, then 50% on those imported after that. It is also putting in place a 50% tariff on washer parts. The protections phase down over three years.

About 25% of the 9.3 million residential washers sold in the U.S. in 2016 were imported, according to Kyle Peters, an appliance analyst at the Freedonia Group.

The tariff spurred **Whirlpool** Corp., which petitioned for relief, to announce that it had added 200 new full-time positions to a washer plant in Clyde, Ohio, to meet an expected boost in demand. The factory already employs more than 3,000 people.

"The new hires are just the beginning of increased investments in innovation, manufacturing and additional manufacturing jobs for Whirlpool and its vendors," the Michigan-based appliance giant said.

But Whirlpool's South Korean competitors said workers at their own U.S. factories will be hurt, along with American consumers, who they and others predict will pay higher prices.

Samsung Electronics Co. said it has hired more than 600 workers for a washer factory in South Carolina.

LG Electronics Inc., meanwhile, is racing to build a factory in Tennessee, which it plans to open by year's end.

David MacGregor, an appliance-industry analyst at Longbow Research, said LG and Samsung, already facing big challenges as they ramp up their U.S. washer factories, now will have to deal with a tariff on imported parts.

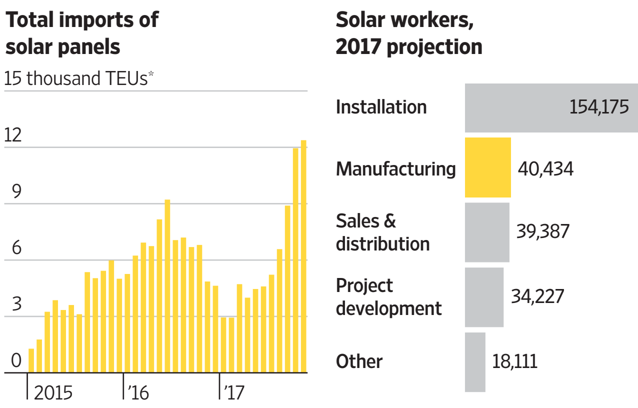
"The president is playing hardball," Mr. MacGregor said.

Both companies previously warned that new trade barriers could slow the pace of their projects. "This tariff is a tax on every consumer who wants to buy a washing machine," a Samsung spokeswoman said. "Everyone will pay more, with fewer choices."

—Jacob M. Schlesinger contributed to this article.

Bright Spots

A new U.S. trade initiative aims to protect solar manufacturing from soaring imports, but most employment in the sector lies elsewhere.



*Twenty-foot equivalent units (shipping containers)
Sources: Panjiva (imports); The Solar Foundation's National Solar Jobs Census 2016 (solar workers)

THE WALL STREET JOURNAL.

In South Carolina, Resistance to Levies

South Carolina, a state that strongly backed President Donald Trump, isn't happy about his move to impose hefty tariffs on imported washing machines.

That is because South Korea's Samsung Electronics Co. recently started production at a $380 million manufacturing plant in the state, hiring 600 employees and promising to expand as it increases production for the U.S. market.

Republican Gov. Henry McMaster and other GOP state leaders expressed concern that the tariffs would slow production at the new factory and have a chilling effect on investment. A spokesman said the governor is "obviously disappointed."

U.S. Rep. Mark Sanford, another South Carolina Republican, said protectionist policies and tariffs, while politically popular, are economically dubious. "This is a mistake," he said.

U.S. trade officials said the tariffs are critical to protecting American companies.

—Valerie Bauerlein

Canada, Mexico Seek Nafta Harmony

By Paul Vieira

MONTREAL—The chief negotiators for Canada and Mexico vowed flexibility and cooperation in trying to address the toughest U.S. demands for a renegotiated North American Free Trade Agreement.

They said they hoped to make progress at the sixth round of Nafta talks, which formally opened in Canada's second-largest city on Tuesday. After a stalemate in the fall, the Montreal talks are widely seen as a make-or-break moment for the trade pact.

U.S. President Donald Trump said in Washington on Tuesday that Nafta talks were "moving along pretty well," but reiterated he was prepared to terminate the pact if negotiations falter.

Canadian and Mexican officials said they were ready to finalize chapters on telecommunications and anticorruption measures, while laying the ground work on compromise with the U.S. on the thorniest issues.

"We have come to Montreal with a lot of new ideas and creative strategies to bridge some of the gaps. We have high hopes for making progress but of course it depends on the other partners as well," said Steve Verheul, Canada's chief Nafta negotiator.

Mr. Verheul said Canada was bringing new proposals to address the auto sector, where the U.S. is taking a harder line.

The Trump administration has proposed that to qualify for duty-free trade among the three countries, North American-made light vehicles must have regional content of 85%, up from 62.5%, and that at least half of the parts be U.S.-made. Canada and Mexico oppose those changes.

TRADE

Continued from Page One

forum Tuesday with a speech that didn't mention Mr. Trump by name, but appeared aimed at him.

"Many societies and countries are becoming self-focused. Globalization is shrinking," Mr. Modi said, adding that this trend was as grave a challenge as terrorism. "Protectionism and its forces are rearing their heads."

In response to criticism of Mr. Trump's trade policy, Gary Cohn, the head of the White House National Economic Council, said Tuesday: "Look, the U.S. is pulling back from nothing." He added: "American first does not mean America alone."

U.S. officials said that as they put forth more aggressive trade policies in the coming weeks, they will try to persuade skeptical allies that their actions are intended to improve the international economic system, not destroy it. The underlying message: The U.S. is neither retreating from trading partners nor fighting them.

"A strong U.S. economy benefits the world, having fair and reciprocal trading relationships help the world, and the U.S. is engaged in trying to help the global economy through reforms like that," a White House trade official said. "That's a message you're going to see us using more frequently in the near future."

Mr. Trump's emerging trade policy involves three main components, each advanced in different forms this week.

The first is ramping up trade-enforcement actions, like the broad, steep tariffs announced Monday aimed at protecting U.S. makers of solar panels and washing machines. Administration officials said more of these types of protections are coming, with studies under way for action on steel and aluminum.

The U.S. also plans to assess moves against an array of Chinese goods and investments in retaliation for China allegedly pressuring U.S. companies to turn over valuable intellectual property.

"You'll see what's going to take place over the next number of months," Mr. Trump said during an Oval Office ceremony Tuesday to sign the solar and washer actions.

MIKE THEILER/PRESS POOL

President Donald Trump signs actions on solar panels and washing machines as Robert Lighthizer, his chief trade negotiator, watches.

The second part of the trade agenda is either shunning pacts negotiated by previous administrations, like TPP, or rewriting them. A large delegation of U.S. trade negotiators is in Montreal this week to press Canada and Mexico for concessions to rebalance the North American Free Trade Agreement in ways aimed at steering manufacturing from Mexico back to the U.S.

Mr. Trump's chief trade negotiator, Robert Lighthizer, has indicated that if his counterparts don't show sufficient compromise in this round, Mr. Trump will be more inclined to pull the U.S. out of the quarter-century-old pact.

'Many societies and countries are becoming self-focused.'

"Nafta is moving along pretty well," Mr. Trump said Tuesday, but added: "I happen to be of the opinion that if it doesn't work out, we'll terminate it."

The third element of the policy agenda is to shake up the World Trade Organization, the overseer of the global trading system since 1995. Administration officials said the Geneva body too often rules against U.S. interests, and doesn't do enough to rein in China's state-driven trading system.

To make its point, the U.S. is blocking appointments to the WTO's court responsible for arbitrating trade disputes between members, a move that risks gumming up the world commercial legal system.

In a tense meeting of world trade officials in Geneva on Monday, Mexico introduced a proposal backed by nearly 60 WTO members demanding the U.S. end its filibuster. Eighteen delegates—including those from Canada, Europe, and China—spoke to support the proposal, one warning of "major consequences" for the WTO. The U.S. representative declined to yield.

As the administration advances those three goals, officials are honing their message for how they plan to explain the significant shifts in U.S. international economic policy to allies and trading partners.

One theme: "We're not turning away from the system, we're saying the system needs to be reformed to survive," the White House trade official said.

Mr. Trump said Tuesday: "There won't be a trade war."

While Mr. Trump has criticized multilateral trade agreements like TPP, Mr. Cohn said that the administration is eager to expand global trade through bilateral agreements, and said that Mr. Lighthizer "is working on a bunch of different agreements."

Mr. Cohn declined, though, when pressed to identify any specific agreements under way, and countries the administration has identified as priorities for new trade pacts, such as Japan, have actively shunned overtures for a new bilateral pact.

Japan and other TPP participants have instead chosen to strike new deals elsewhere.

—Emre Peker in Brussels contributed to this article.

Warning Signs Dent Growth Confidence

Davos attendees point to geopolitical risks, market complacency and length of recovery

By Stephen Fidler

DENIS BALIBOUSE/REUTERS

There is strong awareness at Davos this year that financial-asset prices don't reflect current geopolitical risks, including a potential U.S. trade war with China.

DAVOS, Switzerland—The world economy is accelerating and the financial markets are going gangbusters. But there is an undertone of anxiety among delegates at the annual meeting of the World Economic Forum.

The Davos meeting is famous for failing to anticipate political events: Only a tiny minority of the business, political and academic leaders that attended the forum in recent years foresaw Brexit and the election of Donald Trump. But there is strong awareness this year that geopolitical risks—including that of a potential conflict with North Korea and a U.S. trade war with China—aren't adequately reflected in financial-asset prices.

In a reminder of the risks of a trade war, the Trump administration this week levied steep tariffs on imports of solar panels, aimed mainly at China, and washing machines, hitting mainly South Korea.

At an address at the start of the four-day event, India's Prime Minister Narendra Modi called for greater international cooperation on issues such as climate change and cited the rise of protectionism as a threat facing the world. "Many societies and countries are becoming self-focused. Globalization is shrinking," Mr. Modi said.

Geopolitics aren't the only factor driving caution. Even as the International Monetary Fund stepped up its growth projections for this year and next, Maurice Obstfeld, its chief economist, warned here Monday that "the next recession may be closer than we think," describing policy-maker complacency as the "overarching risk." He called on governments to extend the recovery by enacting further economic overhauls and bolstering defenses against financial instability.

His message was echoed by others close to the financial markets. "Complacency in the markets is a key risk: Valuations are at unprecedented levels," said Axel Weber, chairman of UBS AG, the Swiss bank, at a lunch Tuesday of The Wall Street Journal's CEO Council.

André Bourbonnais, chief executive of PSP Investments, which manages close to $140 billion Canadian dollars (US$112 billion) of Canadian pension-fund assets, said. "Everyone feels, despite the exuberance in the market, that we need to dial down on the risk."

Driving the financial markets is a synchronized economic recovery in the U.S., Asia and Europe. "Markets are focused on the business cycle rather than politics," said Michael O'Sullivan, chief investment officer for international wealth management at Credit Suisse.

Economists point out that the U.S. recovery is getting long in the tooth. Europe, meanwhile, has seen its economic momentum recently pick up after its long-delayed emergence from the euro crisis.

"The question is sustainability," said Ángel Gurría, secretary-general of the Organization for Economic Cooperation and Development. "It's the difference between a boom and a recovery."

The key to extending the recovery is generating more investment, he said. Growth in investment and international trade is now roughly equal to the speed on overall economic expansion, he said. But to pull along the global economy, as a rule of thumb, trade and investment growth should be double that of the overall economy.

CEOs See Economy as Beneficiary of Trump Policies

By Deborah Ball And Jamie Heller

DAVOS, Switzerland—Economic growth will remain robust over the coming year, sustained by pro-business policies around the world, a possible surge in investment and bullishness about major economies such as China and India, according to chief executives gathered at the World Economic Forum.

Corporate leaders gathered in Davos on Tuesday saw relatively few threats to a rare moment of synchronized economic expansion among the world's major economies, with many crediting the administration of President Donald Trump for the bullishness.

"There is extreme optimism," said Sir Martin Sorrell, chief executive of ad group WPP PLC. "It is remarkable the psychological difference—whatever you think of Trump—that he has brought....It has improved [executives'] already very positive psychology."

Chief executives at The Wall Street Journal's CEO Council lunch in Davos said the U.S. tax reform has provided a major boost to sentiment. If U.S. companies respond to the reform by repatriating profits stashed overseas and then investing at home, the expansion could continue for some time, they said.

Roger Crandall, chairman and CEO of Massachusetts Mutual Life Insurance Co., or MassMutual, underscored the change in regulatory conditions under Mr. Trump, calling it a huge plus for U.S. business.

Many corporate leaders credit U.S. tax reform and relaxed regulations.

Under the Trump administration, "the change in the regulatory environment in the U.S. is the greatest we've seen in 30 years," he said. "It is hard to actually overstate how different it is when you meet with somebody and they ask, what is the one regulation we can change to make your business grow more quickly?"

One cloud on the horizon, however, could be inflation, the executives said. "We're seeing inflation pressures largely ignored," said Axel Weber, chairman of Swiss banking giant UBS Group AG and former chief of Germany's central bank. "We're starting to see output gaps closing, with tighter labor conditions and wage pressure....Inflation could come back as a surprise this year."

Some political and geopolitical worries also loom. Some cited midterm congressional elections in the U.S. in November. A win by the Democrats could create a stalemate in Washington and stall progress on further pro-business policy making.

And the current exuberance in markets—many at record highs—is excessive, some said. Massive liquidity is driving yields down so far that "no one is getting the risk assessment they deserve," Mr. Weber said. "That cannot go on. Eventually it will stop."

IMF Cautions Global Boom Is Too Reliant on Easy Money

By Greg Ip

DENIS BALIBOUSE/REUTERS

IMF Managing Director Christine Lagarde speaking in Davos.

DAVOS, Switzerland—The world is enjoying its broadest, strongest growth in years, and everyone has an explanation, from the U.S. tax cut to the recovery in oil prices.

But for the International Monetary Fund, the answer is simple and disturbing: easy monetary policy.

In its outlook for the global economy released in Davos on Monday, the IMF credited the slow pace of interest-rate increase in the U.S. and the still-large balance sheet of the European Central Bank for why it believes growth rose 3.7% in 2017, its strongest gain since 2011, and will rise 3.9% this year. Both are up slightly from projections released in October.

Coupled with the booming stock market, that growth has produced head scratching among the business and political leaders gathered here, preoccupied by risks ranging from populism to climate change.

"It is a puzzle," said IMF chief economist Maury Obstfeld. The tax cut explains nearly all of the upgrade in the U.S. growth projection this year to 2.7% from 2.3%, and smaller amounts for the U.S.'s trade partners, thus less than half of the world's upward revisions.

The tax cut explains some of the stock market's run-up. But Mr. Obstfeld notes, "Stock markets are booming in a lot of countries that have not had tax cuts." Moreover, the regions with the most striking upgrades to their growth outlooks were Europe and Asia, not the U.S.

This leads him to attribute the pickup to central banks' still-highly stimulative monetary policy. This seems odd given that the Federal Reserve has been raising interest rates and several other central banks are preparing to do so. But the fact bond yields had been so low until recently suggests the pace of tightening has still been historically modest.

One result is extremely high valuations for stocks. At a low enough interest rate, almost any valuation can be justified.

But, Mr. Obstfeld noted, that makes the market acutely vulnerable to a shift in perception about rates that would hurt valuations. And, he added in a related blog post, the current upturn "is unlikely to become a 'new normal.' "

Markets, he said in an interview, "are excessively sure that central banks can solve every problem, and they can't, and they've been telling us they can't. We need fiscal policy, and governments are so indebted now the fiscal space they have is much more limited than a decade ago."

President to Meet With Leaders

By Rebecca Ballhaus

President Donald Trump will give an address and meet with foreign leaders including U.K. Prime Minister Theresa May and Rwandan President Paul Kagame while in Davos, Switzerland, for the World Economic Forum later this week, the White House said Tuesday.

Mr. Trump is set to leave for Davos late Wednesday, a day after the U.S. delegation led by Treasury Secretary Steven Mnuchin headed overseas for the gathering.

On Thursday, Mr. Trump will meet with Mrs. May in their first talks since the president canceled a planned visit to the U.K. He will also meet Thursday with Israeli Prime Minister Benjamin Netanyahu.

On Thursday evening, Mr. Trump will host a reception with world leaders and a dinner with "select European companies," where he will encourage them to "continue to invest in the U.S.," National Economic Council Director Gary Cohn said.

On Friday, Mr. Trump will meet with Mr. Kagame, the chairman of the African Union, which issued harsh criticism of the U.S. president following a senator's assertion this month that Mr. Trump questioned why the U.S. would want to accept people from African nations that he reportedly called "shithole countries." Mr. Trump has denied using that language.

Mr. Trump will then make a speech expected to focus on his administration's "America First" policy.

WORLD NEWS

Qatar Says Rivals Meddled in Markets

Central bank writes to regulators, calling for an investigation into alleged manipulation

By Bradley Hope

Qatar alleged that Gulf countries with which it is involved in a political dispute have attacked its currency through “blatant, unlawful market manipulation,” according to letters sent by the Qatar Central Bank to global regulators on Monday.

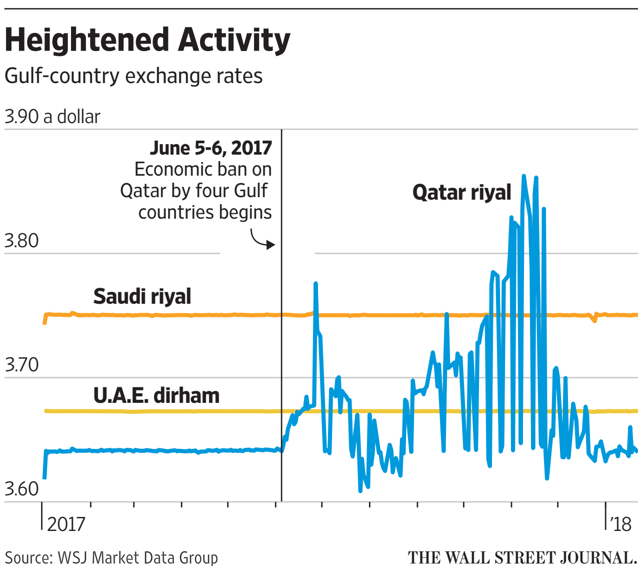
It also accused its rivals, including Saudi Arabia and the United Arab Emirates, of planning to target its bonds and coordinating efforts to pull funds from Qatari banks to create a liquidity shortage, the letters said.

“They have caused damage to financial markets worldwide, including in the U.S., where Qatari government bonds are traded over the counter,” wrote Daniel Kramer, a lawyer at the New York firm Paul, Weiss, Rifkind, Wharton & Garrison LLP, and other attorneys for Qatar in a letter to the U.S. Securities and Exchange Commission on behalf of the central bank.

“They should be halted immediately, and we ask that the Securities and Exchange Commission to immediately investigate the issues presented.” The SEC declined to comment.

The letters—also sent to regulators in the U.K. and Luxembourg—pointed to what they called “extremely suspicious movements in the currency markets that are only explained by attempts to manipulate the markets.”

Beginning in June 2017, several financial institutions began posting offers to buy and sell Qatari riyals at levels significantly higher than the 3.64 rate Qatar has pegged to the U.S. dollar.



Source: WSJ Market Data Group THE WALL STREET JOURNAL.

The activity “reinforced the manufactured narrative that Qatar's currency was increasingly volatile and its economy was too unstable for investment,” the letters said.

The allegations are a sign of the hardening standoff between Qatar and a coalition of Gulf and Middle Eastern states that began last year. The U.A.E. and Saudi Arabia cut ties with Qatar, accusing it of supporting extremist organizations and terrorist groups.

Qatar denies it supports terrorism and has refused demands from its rivals to curb diplomatic relations with Iran, sever ties with the Muslim Brotherhood and shutter the Al Jazeera television network. Multiple mediation efforts have so far failed, leading both sides to dig in for a long battle, said people advising both sides on the matter.

Qatar's financial system is under pressure. Fitch Ratings in August downgraded the country's credit rating to double-A-minus from double-A because of geopolitical risks related to the diplomatic standoff, which it said was “unlikely to be resolved for some time.”

Qatar's Central Bank filings show a flood of money out of its financial system after the diplomatic standoff began.

Qatar's Finance Minister Ali Al Emadi told The Wall Street Journal in November that Qatar authorities were investigating the possible manipulation of its currency. “These tactics are not only unethical, but they give misleading information for international investors...about how the economy is doing,” he said at the time.

Mr. Emadi and the Qatar Central Bank declined to comment on the letters sent Monday.

An adviser to a Gulf country said regional banks were wary. “Financial institutions have most definitely reacted to the increased political and economic risk in Qatar and Qatari-denominated assets, resulting in some distinct market dynamics,” the adviser said.

—Summer Said and Nikhil Lohade contributed to this article.

Political Hopeful Is Arrested in Egypt


MOHAMED ABD EL GHANY/REUTERS

Mr. Anan had criticized the leadership's handling of the economy.

By Jared Malsin

CAIRO—Egyptian authorities arrested a former military chief who planned to run for president, his campaign said, potentially eliminating one of the strongest remaining challengers to state-backed President Abdel Fattah Al Sisi in March elections.

In a statement on national television on Tuesday, the military leadership accused Sami Anan, who continues to serve as a lieutenant general reserve officer, with what it called “violations and crimes,” including forging documents and declaring his candidacy without military authorization.

The statement, which was read by a narrator who didn't appear on screen, also accused the general of incitement aimed at “driving a wedge between the armed forces and the Egyptian people.”

Mr. Anan's campaign had previously rejected the argument that his position in the military precluded him from running. Campaign officials didn't immediately respond to the military's allegations.

“Mr. Anan was just presented to military trial. It's horrible,” said Mahmoud Refaat, a Brussels-based lawyer and spokesman for the candidate. He said he didn't know which branch of the security forces had arrested Mr. Anan.

The would-be candidate, who served until 2012 as chief of staff, the military's second-highest-ranking position, is the fourth presidential hopeful to be detained or charged before the election. Were he to be prosecuted, Mr. Anan could be disqualified from participating in the contest under Egyptian law.

A former commander of the armed forces, Mr. Sisi came to power following a military coup in 2013, and his government is widely perceived to have the backing of the powerful military. Mr. Anan's candidacy had offered the strongest signal to date of political splits within its highest ranks.

Former chief of staff Sami Anan was held on what the military called ‘violations.’

He was the second top general to announce a presidential campaign against Mr. Sisi. The other, former Prime Minister Ahmed Shafiq, once an air force commander, ended his candidacy after he was placed under apparent house arrest in a Cairo hotel.

A statement posted to the candidate's Twitter account claimed Mr. Anan's team had been “abducted from his car.” A military statement said only that he had been summoned.

Mr. Anan announced his candidacy officially in a video released over the weekend, launching a campaign that criticized the president's handling of the economy and Egypt's security situation.

Over the past three days, Mr. Anan's candidacy had gained momentum, capturing broad attention among Egyptians on social media and became a nightly subject of debate on the country's national political talk shows.

U.S. Faults Russia in Suspected Gas Strike

By Felicia Schwartz

PARIS—Secretary of State Rex Tillerson said he is holding Russia accountable for a new chemical weapon attack believed to have been conducted by Syrian government forces near Damascus on Monday.

Moscow's failure to halt chemical strikes calls into question Russia's ability to participate in efforts to resolve the Syrian crisis, Mr. Tillerson said Tuesday at the end of a meeting of more than 20 countries on preventing chemical weapon use.

"Whoever conducted the attacks, Russia ultimately bears responsibility for the victims in east Ghouta, and countless other Syrians targeted with chemical weapons since Russia became involved in Syria," he said.

Mr. Tillerson said that more than 20 civilians, many of them children, were sickened in an apparent chlorine-gas attack Monday in eastern Ghouta.

Russia's ambassador to the United Nations, Vassily Nebenzia, said the chlorine attack was coordinated to undermine upcoming Syria peace talks.

"You are both the judge and the accuser," he told the U.S. during a session at the U.N. "It [the attack on Monday] did not accidentally emerge on the eve of important meetings on Syria in Vienna and Sochi."

The Syrian government has denied that it uses chemical weapons.

Mr. Tillerson said Russia hasn't lived up to an international deal reached in 2013 to destroy Syria's chemical weapon stockpile. He said there has been mounting evidence since April 2014 that Syria continues to possess chemical weapons.

A New German Home for Syrians

By Nour Alakraa
And Ayla Albayrak

BERLIN—A 3-mile-long axis that cuts through a working-class district here has become the place where recent migrants from Syria eat, shop, look for work and learn about their new home.

Germans know it as Sonnenallee, or "Sun Avenue," but to its new residents, the street, which once ended in a checkpoint between East and West Berlin, is "Arab Street."

More than one million asylum seekers, mostly from the Middle East and Afghanistan, have entered Germany since 2015 and leader Angela Merkel's open-arms policy toward migrants. Of those new arrivals, 80,000 have settled in Berlin.

On Sonnenallee, in a city where a third of inhabitants have migrant roots, the changes brought by the newcomers are unmistakable. Over the past three years, at least two dozen Syrian businesses have sprung up on the avenue and adjoining streets. They have transformed a neighborhood where established businesses were run by mostly Palestinians and Lebanese, but also Turks and Germans.

Any tensions from the influx have been blunted by a surge in commerce. At the hookah cafes, tea houses, halal butchers, barbers and internet cafes, homesickness is big business. Many new shops have names that evoke the distant, war-torn country, and some older businesses have changed their focus to pull in foot traffic.

Mudar el-Sheikh, 32 years old, walked across Turkey for more than a week to reach the European Union after fleeing Aleppo, Syria's largest city. A teacher back home, he got to Germany in 2014, ahead of the biggest wave of refugees to hit Europe since World War II.

Mr. el-Sheikh, who now teaches cooking classes in Berlin, said Sonnenallee offers more than the scents and flavors of Syria; he described it as a hub where newcomers can swap tips about how to navigate their new home, land a job or find a place to stay.

The migrant influx hasn't come without strains for the neighborhood—or for Germany. It brought immigration to the center of national political debate.

A survey by the Bertelsmann foundation in April last year found that 54% of Germans surveyed thought the country had reached its limit in accepting asylum seekers. While the inflow has slowed, almost 190,000 arrived last year.

In December, protests over U.S. President Donald Trump's decision to recognize Jerusalem as the Israeli capital made their way from central Berlin to Sonnenallee. Images of the protests, some showing young men burning an Israeli flag, dominated the news for days and prompted warnings from some politicians that some migrants had brought dangerous views with them.

Around Sonnenallee, newer residents complained about young men who pack the hookah cafes, making noise and occasionally issuing catcalls at passing women.

"They have ruined the reputation of other migrants," said Mohammad al-Ahmad, a doctor from Syria who arrived in Germany in early 2016.

Many of the teenagers entered the country alone and were jobless and adrift, with no experience of cultural diversity, he said.

But for many shops on Sonnenallee, the new arrivals as a whole have been good for business. "Eighty percent of my customers are Arab and their number is growing," said fashion-shop owner Rania Ranosh, who is from Egypt. "People come from outside Berlin to visit the Arab Street."

Some newcomers made a point of approaching established Arab businessmen for funding or advice on tackling German bureaucracy.

Anas Zeidan, 41, a textile trader from Azaz, a northern Syrian town, sought help from a local German-Lebanese to open his chicken shawarma shop on Sonnenallee.

The cost of entry on the avenue is rising, pushed by brisk business and a broader property boom in the city. With his restaurant employing 10 Syrian refugees, Mr. Zeidan is working on his next opening, near Düsseldorf, with his brother.

"I hope to expand more. I want to apply for German citizenship, do everything properly and legally, and hire more Syrian refugees," he said, "and show the Germans that Syrians are productive."

MUSTAFAH ABDULAZIZ FOR THE WALL STREET JOURNAL

A jewelry shop on Berlin's Sonnenallee, an avenue known to some residents as 'Arab Street.'

As Turkey Invades, the Kurds See Betrayal Once Again

MIDDLE EAST CROSSROADS
By Yaroslav Trofimov

In Kurdish history, there's a betrayal that looms large. In the 1970s, the U.S. armed Kurdish fighters to rise up against Saddam Hussein in Iraq, as part of an effort to help the pro-American Shah of Iran. Then, once the Shah suddenly struck his own deal with Saddam and no longer needed the Kurds, Washington simply walked away, ignoring Kurdish pleas to help avert an imminent bloodbath.

"Covert action," then U.S. Secretary of State Henry Kissinger famously told a congressional committee, "should not be confused with missionary work."

Today, as four decades ago, the Kurds in both Syria and Iraq are realizing just how disposable they are to the regional—and global—powers. That's especially so now that Kurdish help is no longer needed in the campaign to topple Islamic State, and as geopolitical alliances shift.

In northern Syria, the American- (and until recently Russian-) backed Kurdish forces this week came under a military onslaught by NATO ally Turkey, which is seeking to capture the Kurdish area of Afrin on its border, and threatens to invade other Kurdish-held regions of Syria further east.

In Iraq, a different military operation by the U.S.-backed federal government seized key territories from Kurdish forces in October. Baghdad continues economic sanctions against northern Iraq's self-ruled Kurdistan region, holding out the prospect of further military action.

In both cases, the U.S. didn't condemn these military operations, limiting itself to calls for restraint and for avoiding civilian casualties. Russia, meanwhile, appears to have allowed the Turkish air force to operate in Syrian airspace, and facilitated the Turkish incursion by withdrawing Russian forces that had been deployed in Afrin.

Because of the Kurds' long history of disappointments, the Syrian Kurdish leadership wasn't surprised, said Etugrul Kurkcu, a veteran lawmaker from Turkey's mostly Kurdish People's Democratic Party, or HDP, a close ally of the main Syrian Kurdish movement known as YPG. "Their cooperation with the Russian Federation and the U.S.A. was on a tactical basis, and their awareness of the U.S. and Russian Federation's impending tendency to desert them under Turkish pressure had already grown," Mr. Kurkcu said. "As they say, their strategic ally is the mountains."

In part, deserting the Kurds has been made easier by mistakes by Kurdish politicians themselves.

In Iraq, the Kurdistan regional government disregarded Western appeals not to hold an independence referendum in September, and failed to maintain a democratic system of governance—allowing Baghdad to split Kurdish unity. In northern Syria, YPG—an affiliate of the Kurdistan Workers' Party, or PKK, a Kurdish movement from Turkey that is considered a terrorist group by the U.S. and Turkey—has established an even more authoritarian one-party statelet.

Yet, despite these flaws, the main reason the Kurds are once again abandoned by their Western allies is realpolitik.

For Washington, not siding with the federal government of Prime Minister Haider al-Abadi would have pushed Iraq, with its massive oil reserves, even closer into an alignment with U.S. archenemy Iran. Actively opposing the Turkish operation in Afrin would have accelerated President Recep Tayyip Erdogan's movement away from NATO and into an ever-tighter relationship with President Vladimir Putin.

In fact, Russia acquiesced to the Turkish operation in Afrin precisely because prying Turkey away from the West is a far more important geopolitical objective to the Kremlin than friendship with the stateless Kurds.

"The necessity of maintaining at least a tactical alliance with Turkey is self-evident for Russia, even if it creates problems," said Andrey Kortunov, head of the Russian International Affairs Council, a think tank affiliated with the Russian foreign ministry. "The entire region is changing course, and Russia and Turkey today have avenues for cooperation that they didn't have before."

The U.S., which unlike Russia didn't have troops in Afrin, was in no position to prevent the Turkish operation there. The big question now is whether Mr. Erdogan will deliver on his threats to also attack the bigger Kurdish-held enclave in eastern Syria—and whether the U.S. forces deployed there will try to prevent such an onslaught, as they did during a smaller Turkish-backed offensive against Manbij last year.

James Jeffrey, a former U.S. ambassador to Turkey and Iraq and a scholar at the Washington Institute for Near East Policy, said he expected the U.S. would "react strongly" to any Turkish move against Manbij or other parts of Kurdish-held eastern Syria. But, he added, there are limits to U.S. willingness to oppose Mr. Erdogan: "As U.S. and Russian reactions to Afrin show, Turkey is a serious player and the U.S. has no hopes to impact events in Syria long-term without Turkey."

SEDAT SUNA/EPA/SHUTTERSTOCK

Turkish soldiers training with their tanks at Hatay, near the Syria-Turkey border, on Tuesday.

Venezuela Calls Early Elections Amid Disarray in Opposition

MARCO BELLO/REUTERS

President Nicolás Maduro speaking in Caracas on Tuesday.

By Kejal Vyas
And Mayela Armas

CARACAS—Venezuela will hold presidential elections before the end of April, the government said Tuesday, as President Nicolás Maduro looks to consolidate power amid a punishing economic crisis and escalating international sanctions.

Despite worsening food shortages that have the oil-rich country teetering on a humanitarian crisis, Mr. Maduro's ruling Socialist Party is rushing to hold the vote as soon as possible to take advantage of disarray in the ranks of the political opposition, which has struggled to counter the leftist leader's increasingly autocratic rule, election observers and Western diplomats say.

The so-called National Constituent Assembly, an all-powerful government body created last year of elements loyal to the president, decreed elections to be held before April 30.

Mr. Maduro, who polls show is disliked by three out of four Venezuelans, hasn't confirmed whether he will seek re-election to a six-year term. That didn't constrain some of his allies on Tuesday from saying the 55-year-old former bus driver and union activist will be their man.

"We're not going to have any problems with a revolutionary candidacy," said Diosdado Cabello, the ruling party's second-in-command. "We already have a candidate: Nicolás Maduro."

The hurried push for elections, which by law could have been called any time this year, throws a wrench into fraying negotiations in the Dominican Republic between the Venezuelan government and the opposition that are meant to ease the country's political and economic crisis. The opposition is demanding free and fair elections with the participation of international observers, which the Maduro administration has rejected.

Mexican Foreign Minister Luis Videgaray said his country was withdrawing from its role as mediator in the talks because Venezuelan authorities called for elections unilaterally without any agreement between negotiators.

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DARREN WHITESIDE/REUTERS

Indonesia's Defense Minister Ryamizard Ryacudu and visiting U.S. Secretary of Defense Jim Mattis stood during a welcoming ceremony in Jakarta on Tuesday. The U.S. and Indonesia have long maintained security ties, including conducting exercises together.

Mattis Hails U.S. Ties to Indonesia

By Ben Otto

JAKARTA, Indonesia—U.S. Secretary of Defense Jim Mattis pushed for more extensive security ties Tuesday with Indonesia, part of a new drive to shore up Southeast Asian countries against intimidation by China in the South China Sea.

Mr. Mattis is making a short tour that will also take him to Vietnam, days after he described China as using "predatory economics" to extend control over its smaller neighbors.

In Jakarta, Mr. Mattis described Indonesia as the "maritime fulcrum" of the region and said the countries will work to improve comprehensive monitoring in the Natuna Sea, a part of Indonesia that has seen an increase in Chinese maritime activity.

Indonesian Defense Minister Ryamizard Ryacudu said that South China Sea tensions had eased recently with Beijing engaging more with individual claimants and the 10-member Association of Southeast Asian Nations.

Jakarta drew Beijing's ire last year when it named the southern fringes of the South China Sea after the Natunas island chain and stepped up a drive to build airstrips, a fishing industry and security patrols there to consolidate its hold on the territory.

President Joko Widodo took the symbolic move of holding a cabinet meeting on a navy ship there.

U.S., Beijing Diverge on Foundation of Trade

CHINA'S WORLD
By Andrew Browne

SHANGHAI—Judged by recent standards, **Marriott International** Inc.'s corporate apology in China was particularly abject.

The hotel chain had implied in a marketing survey that Taiwan is a separate country, along with Hong Kong, Macau and Tibet. Though not altogether inaccurate—Taiwan has most attributes of statehood, including fixed borders and an army to defend those borders—it is heresy to say so. Beijing was incensed. Marriott kowtowed.

What else could it do?

A prickly nationalism has long been a hazard for foreign investors in China, and Marriott has aggressive expansion plans in the country. Beijing is adding demands for political correctness; the Communist Party is on a drive to set up cells in foreign businesses.

More to the point, Chinese authorities take the view that when you own the world's fastest-growing markets—as China does in travel, autos, smartphones and IT software—you set the terms of economic engagement. Marriott has joined a growing list of multinationals that have accommodated themselves not just to China's increasingly onerous market regulation but its political sensitivities, too.

A number of Western academic publishers and internet companies have started censoring in China. **Apple** Inc. pulled apps from its store that enable Chinese users to circumvent the Great Firewall.

Many in the West thought it would be the other way around.

As China grew, they reckoned, its commercial standards and political values would gradually converge with their own. Wasn't that the unspoken deal when China joined the World Trade Organization in 2001?

If it was, the bargain is dead. Savvier foreign companies in China have understood this for a while. More recently, Western governments have had a similar epiphany.

DAVID CHANG/EPA/SHUTTERSTOCK

The hotel company climbed down over political sensitivities.

Last week's report from the U.S. Trade Representative's office decrying the U.S. decision to welcome China into the WTO as a mistake reflects a pessimistic view taking hold more broadly in Western capitals that China has no intention of integrating with a free-market global trading system.

The report errs in one important respect: The hope that WTO membership would propel China faster along a liberal track was supported by powerful trends at the time. "This was not deluded," argues Daniel Rosen, an economist who worked on China's WTO entry in Bill Clinton's White House. "China was converging, to an extraordinary degree," he writes, listing the withdrawal of the state from the economy, the rise of a private sector and a welcome mat that Beijing was rolling out for foreign investors.

Here is what actually happened: China changed course.

The state made an about-face; government enterprises are marching again to the drumbeat of industrial policy. Private enterprise is on the defensive. Foreign investors are treated with growing intolerance.

The transformation has gathered pace under President Xi Jinping. From the vantage point of the Chinese leadership in Beijing, U.S. capitalism and democracy are digging their own graves, while Donald Trump is trashing America's global reputation. A recent Gallup poll shows U.S. leadership approval ratings around the world plunging to about the same level as China's.

Mr. Xi sees a historic opportunity to ditch the U.S. template and advance the Chinese development model as a credible alternative. His signature Belt and Road initiative to join East Asia and Europe with transport and energy infrastructure is a sign of confidence that China has the ability to reshape the global trade and investment environment.

The dream of convergence is over; Robert Lighthizer, the hawkish U.S. trade representative, no longer bothers to try to negotiate market-opening concessions from China. His report reflects a conviction that the two economies are now divergent—essentially playing by a different set of rules, one open, the other neo-mercantilist.

China and the U.S. are on a collision course. Marriott and other multinationals in China will be caught in the middle.

FROM PAGE ONE

CEO

Continued from Page One

but didn't initially disclose that he had suffered a heart attack. He took a medical leave, had a transplant and returned the following year.

In 2015, Goldman Sachs Group CEO Lloyd Blankfein disclosed a lymphoma diagnosis shortly after receiving the news from his doctor. He said he planned to continue working through treatment and returned to work full-time the following year.

While some companies do require CEOs to undergo annual physicals, it isn't clear how many have to share results with the board. The research firm Equilar Inc. couldn't find evidence that any of the 500 largest U.S. companies considered a similar proposal over the past five years.

Requiring executives to share their physicals with the board could violate employment laws and at the least requires waiving a right to privacy. "I regard that as a slippery slope," said Thomas Flannery, managing partner at the executive search firm Boyden. "It could have a bigger downside than upside."

Mr. Harrison had a history of health issues and required use of an oxygen tank.

Instead, Mr. Flannery said he encourages both the CEO and the board to be open about health problems and whether they affect the executive's ability to fulfill his or her duties.

At its meeting next month, the CSX board will adopt a policy that requires its CEO get a comprehensive physical performed by a medical provider chosen by the board, according to a letter submitted to the Securities and Exchange Commission reviewed by The Wall Street Journal. A CSX spokesman declined to comment.

The new policy will avoid a shareholder vote on a resolution that had been proposed by an individual CSX investor for the company's next annual meeting. "This is an important victory for shareholders," said John Fishwick, a Virginia attorney who submitted the proposal, in a video posted on Facebook. Mr. Fishwick owns 1,000 CSX shares.

The rule comes after a year in which Mr. Harrison's health had overshadowed his attempt to turn around the railroad operator.

Mr. Harrison was named CEO following a brief battle with an activist shareholder. The shareholder wanted Mr. Harrison to implement a new operating plan at CSX modeled after prior turnaround he executed at two major Canadian railways.

Mr. Harrison had a history of health issues and required the use of a portable oxygen tank to treat an unspecified medical condition. He declined the board's request to review his medical records or submit to a physical as part of being named CEO.

His hiring included an $84 million payment to Mr. Harrison to cover compensation he left behind when he quit his job at another railroad to lead CSX.

CSX faced a difficult decision. Word that Mr. Harrison was interested in leading CSX added $10 billion to the company's market value. Blocking his appointment, even with unspecified health issues, likely would have caused shares to drop, analysts said at the time.

Mr. Harrison moved quickly to change CSX, idling hundreds of locomotives, closing several rail yards and overhauling train schedules, which caused delays during much of the summer. The railway has since recovered, although the company is still working to win back customers lost last year.

Mr. Harrison died two days after taking a medical leave of absence. Jim Foote, who was hired as Mr. Harrison's No. 2 in October as three other senior executives were leaving, was named permanent CEO shortly after Mr. Harrison's death.

Mr. Foote this month acknowledged that the speed at which Mr. Harrison made changes at CSX was broadly disruptive to the railroad's operations. The company has since hired another operations executive to work under Mr. Foote and expanded its senior management team with leaders to help carry out the remaining phase of the turnaround.

COLIN MCCONNELL/THE TORONTO STAR/ZUMA PRESS

Hunter Harrison declined the board's request that he get a physical.

South African Jazz Legend Dies at 78

By Jenny Gross

Hugh Masekela's exile from South Africa was long and painful. But during his three decades away, he created a new sound, Afro-jazz, that proved a stealthy weapon against apartheid back home.

OBITUARY
HUGH MASEKELA
1939-2018

The trumpeter, singer and composer died in Johannesburg on Tuesday of prostate cancer. He was 78.

"A baobab tree has fallen, the nation has lost a one of a kind musician," said Arts and Culture Minister Nathi Mthethwa. "We can safely say bra Hugh was one of the great architects of Afro-Jazz and he uplifted the soul of our nation through his timeless music."

Mr. Masekela fused township rhythms with American blues and pop. His songs, many written in the U.S. during his 30-year exile, raised awareness about the South African government's policy of racial segregation.

Mr. Masekela fled South Africa in 1960 when he was 21 and landed in New York City at the heart of the golden jazz era. Musicians like Dizzy Gillespie and Harry Belafonte took the trumpet player under their wings and encouraged him to develop his own voice.

His homecoming marked the validation of a musician who sought to lift up his heritage in defiance of a government that often denigrated it.

Born April 4, 1939, in the coal-mining town of Witbank, Mr. Masekela said he was surrounded by music everywhere—in the townships, on the streets, and at his grandmother's gathering place, where migrant miners sang about home.

—Gabriele Steinhauser contributed to this article.

WORLD WATCH

CATHAL MCNAUGHTON/REUTERS

OVER THE HUMP: India's Border Security Force in New Delhi at a dress rehearsal on Tuesday for the Republic Day parade on Friday.

THE PHILIPPINES

Volcano Forces More Village Evacuations

The Philippines' most active volcano spewed fountains of lava and giant ash plumes Tuesday in a dangerous eruption that has sent at least 56,000 villagers to shelter in evacuation centers.

Mount Mayon began acting up more than a week ago.

A violent eruption could occur in hours or days, characterized by rumblings and pyroclastic flows—superheated gas and volcanic debris that race down the slopes, vaporizing everything in their path, officials said.

—Associated Press

LIBYA

At Least 27 Killed In Twin Bombings

Twin car bombs exploded as people left a mosque in a residential area of the eastern Libyan city of Benghazi on Tuesday night, killing 27 and wounding over 30, officials said.

Capt. Tarek Alkharraz, spokesman for military and police forces in Benghazi, said the first explosion went off around 8:20 p.m. Tuesday and the second bomb went off a half-hour later as residents and medics gathered to evacuate the wounded.

No group immediately claimed responsibility.

—Associated Press

SCOTCH

Continued from Page One

tilling the spirit—at least on its tequila-barrel idea—are already on the rocks.

"There is not a single chance of a change of the rules," says Gavin Hewitt, a former British diplomat and onetime chief executive of the SWA. "Whoever is saying that is talking through a complete hole in their head."

The company, which makes Scotch brands such as Johnnie Walker, J&B and Talisker, and controls about 40% of the world's production, triggered an outcry once before in Scotland, which, not surprisingly, takes its Scotch seriously. In 2003, Diageo slapped the name of one of its single-malt Scotches onto a blended Scotch. Diageo called it a "pure malt." The SWA called it deceptive marketing.

A Scottish member of Parliament went so far as to ask then-Prime Minister Tony Blair to intervene in the "ongoing crisis." Mr. Blair said he would "look into it." Diageo eventually pulled the product from shelves.

Diageo didn't set out last year to make trouble. It merely wanted to make Scotch tempting to more drinkers.

Ten years ago, Scotch made up about 60% of the world's whiskey market, excluding a category called "other whiskeys" that consists mainly of domestic Indian whiskey, according to according industry tracker IWSR. Last year it made up 49%. The share of U.S. whiskey has grown from 19% to almost 25% over that period.

The mission of the Diageo task force, according to a document labeled "highly confidential" reviewed by The Wall Street Journal, is to explore "whether potential regulatory, technical, legal or other barriers are constraining" Scotch, and "the scope for reform."

Scotch watchers say Diageo will face stiff opposition to any rule changes—something its task force acknowledges in the documents. One of the biggest obstacles is the SWA, an Edinburgh-based trade body that has long interpreted the rules and policed Scotch making.

The SWA "is a big old business that's funded extensively through all the old whisky producers," says Dan Jago, head of London-based Berry Bros. & Rudd, a 320-year-old wine and spirits merchant. "Anyone trying to change the rules would be fighting against the general view that it's better to protect Scotch than expand it."

MIKE WILKINSON/BLOOMBERG NEWS

Workers move barrels of Scotch whisky through Diageo's bottling plant in Leven, Scotland.

Alan Park, the SWA's legal-affairs director, says producers are free to innovate however they like, but "no consumer should be misled into thinking it's Scotch when it's not."

Diageo said in a written statement that it works with the SWA on ideas that "seek to strike a balance between tradition and innovation."

The first written reference to Scotch appeared in 1494, when a Friar John Cor showed up in tax records listing "eight bolls of malt, wherewith to make aqua vitae," the water of life, according to the SWA.

Since its founding in 1912, the SWA has played a big role shaping what the country's roughly 100 Scotch distillers can and can't do.

The association was instrumental in writing what eventually became the Scotch Whisky Regulations of 2009, a British law that lays out parameters for Scotch production. European Union rules regulating spirits also apply.

Some of the rules are murky, and the association publishes guidelines to interpret them. It also gives advice, and approves or declines requests by distillers to try new approaches. It can't levy fines, but does warns distillers if they are breaking the law.

One of the most contested topics is finishing, which involves moving aged Scotch from its original cask to a second barrel. U.K. and EU laws don't stipulate what kinds of casks can be used for finishing.

During the past two years, Diageo executives approached the SWA's Mr. Park about using its Don Julio tequila casks to finish some of its Scotch, according to a person familiar with the matter. Mr. Park said no, this person says.

"Scotch whisky has a certain reputation attached to it based on traditional practices," says Mr. Park, who declined to comment on specific conversations with companies. "That provides the framework in which we have to operate."

After being rebuffed, Diageo's task force recommended challenging "the SWA's overreach," according to one Diageo document.

Paul Miller, owner of St. Andrews-based Eden Mill Distillery & Brewery, asked the SWA in 2016 to allow him to use chocolate malt to make his Scotch.

Mr. Park offered to come and taste the drink, but voiced ambivalence: "Certain processes can still be prohibited if they lead to the production of a spirit which differs from a traditional Scotch Whisky," he emailed Mr. Miller.

"That's like saying you can't do anything to the spirit to make it taste any different," says Mr. Miller.

Mr. Park didn't stop by for a tasting, and Mr. Miller scaled back his production of chocolate malt. "Most of these rules were created to stop people passing off cheap rubbish as Scotch Whisky," Mr. Miller says. "They weren't set up to protect Scotch from a really exciting, creative, innovative craft whisky development that Scotland should be perfectly placed to take advantage of."

FUND

Continued from Page One

Mr. Levin pushed too far, too fast, asking for more money and control than he was due.

"A level of distrust" had developed between the two executives, says a person close to the matter.

The sudden reversal comes at a time of transition for the industry. Founders of many hedge funds and private-equity firms are nearing retirement age, after pocketing fortunes over their careers, and are focusing on succession. Hedge funds, which manage $3 trillion, are also under pressure to justify their existence, with clients griping about the high fees and relatively poor returns.

Och-Ziff is now interviewing outside executives about becoming the firm's CEO, while Mr. Levin is in talks about his own future. "We are engaged in a robust CEO succession process that is progressing well," Mr. Och said in a written statement. "We have a committed team, the firm had an excellent year in 2017, and I am confident we will build on that success in 2018 and beyond."

Some clients say they may follow Mr. Levin out the door if he leaves.

"This was not well communicated or handled," says Michael Rosen, chief investment officer at Angeles Investment Advisors LLC, which invests about $100 million in a fund overseen by Mr. Levin.

OCH-ZIFF CAPITAL (LEFT); BRIAN MOSER/BLOOMBERG NEWS

James Levin, 34, at left, and Daniel Och, 57, clashed over money and control as succession plans at Och-Ziff went off the rails.

Slow and steady

The upheaval is remarkable for a firm long known for stability and steady, if unspectacular, gains. Mr. Och grew up in suburban New Jersey, the son of a doctor and a teacher at the local Jewish day school. Having graduated from the University of Pennsylvania's Wharton School of Business, he spent more than a decade as a risk arbitrager at Goldman Sachs Group Inc. He founded Och-Ziff in 1994 with financial support from the Ziff family, founders of Ziff Davis Media, whom he got to know at Goldman.

Initially, Och-Ziff invested in merger deals before expanding to other strategies. Mr. Och generally avoided appearances on business television and industry conferences, and rarely raised his voice at the office. Confiding in a small group of friends, he preferred to motivate underlings by giving them relative independence to pursue investment strategies.

Och-Ziff was among the first hedge funds to go public, in November, 2007, the beginning of what some saw as a wave of such IPOs. Its shares soon reached an all-time high of $30.65. Mr. Och became a billionaire. With a majority of the firm's voting-class shares, he could also essentially dictate the firm's future.

Soon enough, the future darkened for Och-Ziff and much of Wall Street. Markets were crippled by the global credit crisis. Mr. Levin, who joined Och-Ziff in 2006 after stints at two other firms, led one of the few areas seeing surging growth. A computer-science major who earned a bachelor's degree from Harvard University in three years, Mr. Levin became a protégé of both David Windreich, who ran the firm's investments, and Mr. Och. Mr. Levin was even-keeled on the trading floor and struck colleagues as especially driven.

After the crisis ebbed, Mr. Och became bullish about complex "structured credit" debt investments, such as residential mortgage-backed securities, which investors had dumped. Others at the firm were lukewarm on the idea, but Mr. Levin became enthused, making a big bet on the investments with a 14-member team he now was leading.

In 2012, as U.S. housing rebounded, they made gains of almost $2 billion, more than half of the firm's profits that year. In 2013, Mr. Levin, then 30 years old, was rewarded with a $119 million payday.

By 2014, Mr. Levin was running Och-Ziff's credit business, which comprised nearly half the firm's assets. That year, he began pushing for a larger piece of the firm's equity, say people close to the firm. Worried about losing his prized employee, Mr. Och gave Mr. Levin what he wanted. Mr. Och also placed Mr. Levin on the firm's management committee, though some at the company worried Mr. Levin had a short track record and didn't deserve more influence.

Aware of Mr. Levin's growing ambition, a colleague urged him to exhibit caution.

"Be patient, you're in a great seat," he told Mr. Levin, referring to his position within the firm.

In 2016, Mr. Levin made fresh financial demands. Tension built with Mr. Och. In February of last year, he acceded, giving Mr. Levin a 10-year pay deal unlike any in Och-Ziff's history. In addition to $4 million a year in cash, Mr. Levin received stock valued at $280 million at the time, with some of the award conditional on the appreciation of Och-Ziff shares.

As part of the deal, Mr. Och agreed to surrender around $100 million of his own stock to Mr. Levin, meaning Mr. Levin's raise essentially came out of Mr. Och's pocket.

Mr. Levin also was promoted to co-chief investment officer and tapped as Mr. Och's eventual replacement. The firm moved to drop Mr. Och's name and start calling itself OZ Capital, a sign it was preparing for a future without its founder.

The size of Mr. Levin's deal caused grumbling among some colleagues, partly because it came as the firm dealt with an embarrassing criminal investigation into one of the firm's senior deal makers, say people at the firm.

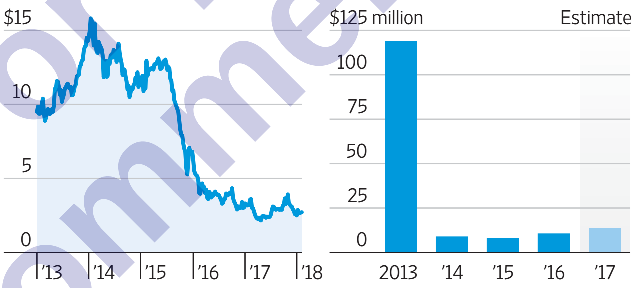
Michael Cohen, who once headed Och-Ziff's Europe office, was accused in a 2017 civil complaint by the Securities and Exchange Commission of spearheading a bribery scheme that allegedly funneled millions of dollars in bribes to high-level officials in African countries to secure mining assets and other deals. Mr. Cohen, who left the firm in 2013, also faces criminal charges he defrauded a client in an alleged scheme connected to African investments, according to an indictment filed in Brooklyn federal court in October. A lawyer for Mr. Cohen denied the charges.

Mr. Och wasn't alleged to have been aware of the actions, but he agreed to personally pay a civil sanction of $2.2 million to the SEC for a record-keeping violation. The firm paid a fine of $412 million to settle to settle criminal and civil charges it violated provisions of the Foreign Corrupt Practices Act. Mr. Och personally pledged what amounted to a $349 million interest-free loan to the company to cover most of the cost of the settlement.

Downturn

Och-Ziff Capital Management stock hasn't recovered from a steep decline in recent years.

Och-Ziff share price, weekly | **Co-CIO Jimmy Levin's compensation***



*Includes cash and shares that may not have yet vested

Sources: WSJ Market Data Group (stock); company filings (compensation)

THE WALL STREET JOURNAL.

Asset drain

Clients responded by pulling record amounts of money from the firm. Today, Och-Ziff, still one of the world's largest hedge funds, manages about $33 billion, down from almost $50 billion in 2005, and its shares traded at $2.69 Tuesday.

The turmoil enhanced Mr. Levin's bargaining power, because Mr. Och feared more clients would leave if he departed.

"The firm was on its knees, Jimmy had a lot of leverage," says someone close to the matter.

A few months later, Mr. Levin decided it was time for a change atop the firm. Mr. Och and Mr. Windreich, the other co-CIO, were devoting less time to the firm's investments and operations while Mr. Levin and a few others were effectively running the firm and scoring the firm's biggest gains.

"We think the time is right," Mr. Levin told Mr. Och in May of last year.

Mr. Och agreed and began working with Och-Ziff's board and top executives on a succession plan. By last summer, it was agreed that Mr. Och would cede his role as chief executive around year-end, while remaining as chairman a bit longer.

The firm's chief financial officer, Alesia Haas, Mr. Levin and Och-Ziff's independent board directors proposed a series of moves in conjunction with the succession. The goal, they said, was to strengthen the firm's balance sheet and bolster future earnings.

The proposals required Mr. Och to relinquish voting shares, so he wouldn't control Och-Ziff after leaving, and forgo some future payments to shareholders. The proposal would have amounted to about $1 billion in current and future payments from Mr. Och and former partners to others, according to Mr. Och's estimates. People close to the board disagreed, judging the figure to be closer to zero.

Mr. Och responded that he didn't share the concerns about Och-Ziff's balance sheet. The double-digit investment gains of 2017 meant it would have more cash than debt, he argued. At one point, Mr. Och said he would be open to remaining as chief executive past 2018. Board members said they wanted to proceed with the transition.

Over time, Mr. Och became irritated, say some who know him. Each new version of the plan seemed to him to add additional rewards for Mr. Levin at the expense of Mr. Och and former partners he felt were contractually entitled to the payments. And it all came just months after the February deal requiring Mr. Och to hand shares to Mr. Levin.

Mr. Och held Mr. Levin responsible for the various initiatives approved by the board, the people say. "He felt Jimmy forced his hand again," said one.

"I have always run OZ Management in the best interest of the firm, our investors and shareholders, and my partners," Mr. Och said in a written statement.

For his part, Mr. Levin felt caught in the middle of a growing rift between the board and some senior executives, who supported an immediate transition, and Mr. Och, who was pushing back, according to people close to the matter.

In late December, the five independent directors of Och-Ziff's seven-member board presented the plan to move forward with the succession this year and unanimously voted to approve it.

> *Some clients say they may follow Mr. Levin out the door if he leaves the firm.*

"This is where the board wants to go," a board member told Mr. Och.

Mr. Och said he wouldn't accept the plan.

In its letter to clients sent Saturday, Dec. 23, Och-Ziff dropped the bombshell, adding, "Dan and the board of directors hope that Jimmy will remain as Co-Chief Investment Officer."

Och-Ziff's investor-relations team spent the holidays and much of January making emergency calls with public pension funds and other big investors. The team had few answers to questions about the firm's future.

Now, Mr. Och is back running the firm. Both Och-Ziff and Mr. Levin appear to be in tough spots. Because Mr. Levin wasn't fired, he would forgo the shares received last year and his lucrative pay package if he were to quit, according to terms of the deal. He also has a two-year noncompete clause in his contract precluding him from going to a new firm.

If Mr. Levin stays, it isn't clear he will retain the power he had accumulated or be able to mend his relationship with Mr. Och. If a new CEO is recruited, the challenge could become more difficult.

At the same time, Mr. Levin commands the support of some within the firm and the respect of clients.

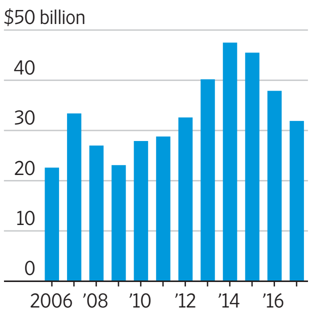
"He's an exceptionally capable investor," says Mr. Rosen of Angeles Investment Advisors. He says his firm likely will pull its money if Mr. Levin leaves. "That would be problematic," he says.

CLAUDIO PAPAPIETRO FOR THE WALL STREET JOURNAL

Och-Ziff's headquarters are in the Solow Building in New York.

Declining

Och-Ziff Capital Management's assets under management



Source: the company

THE WALL STREET JOURNAL.

GREATER NEW YORK

Every Picture Tells a Story

KATHY WILLENS/ASSOCIATED PRESS

EXHIBITION: Luigi Toscano's portraits of Holocaust survivors are on display at the United Nations through March 1. The photographer spent a year meeting survivors in Germany, the U.S., Ukraine, Israel and Russia, to give them the opportunity to share their life stories.

City Files Opioid Lawsuit

BY CORINNE RAMEY AND SARA RANDAZZO

New York City has filed a lawsuit against opioid manufacturers and distributors, accusing the companies of oversupplying the market and misrepresenting the safety of the drugs, Mayor Bill de Blasio said Tuesday.

The lawsuit, filed in New York State Supreme Court, seeks half a billion dollars that city officials say they need to fight the opioid epidemic.

"More New Yorkers have died from opioid overdoses than car crashes and homicides combined in recent years," Mr. de Blasio, a Democrat, said in a statement. "Big Pharma helped to fuel this epidemic by deceptively peddling these dangerous drugs and hooking millions of Americans in exchange for profit."

Five opioid manufacturers and their subsidiaries, including Purdue Pharma, Johnson & Johnson and Endo International, as well as distributors McKesson Corp., Cardinal Health Inc. and AmerisourceBergen Corp., were named in the suit.

New York City's move follows a wave of similar lawsuits brought by 15 states and about 300 other cities and counties in the U.S. The companies have denied the allegations.

42K

Approximate number of people opioids killed in 2016 in the U.S.

Purdue reiterated Tuesday that it is "deeply troubled by the prescription and illicit opioid-abuse crisis" and is "dedicated to being part of the solution."

Endo said it has stopped promoting and developing opioids, and eliminated its product sales force, as well as withdrawing its drug Opana at the request of the Food and Drug Administration.

McKesson said it reports hundreds of thousands of suspicious orders to federal authorities each year and that "this complicated, multifaceted public-health crisis cannot be solved by any one participant," but needs to come from a comprehensive approach involving everyone from doctors to insurance companies to distributors and manufacturers.

More than 1,000 people in New York City died in a drug overdose which involved an opioid during 2016, city officials said. Costs to the city have included those related to treatment, hospitals, criminal justice and law enforcement, officials said.

Opioids killed more than 42,000 people in the U.S. in 2016, according to the Centers for Disease Control and Prevention. Forty percent of opioid overdoses in 2016 involved a prescription opioid, the CDC said.

Earlier this week, Kentucky filed a lawsuit against McKesson, claiming the distributor flooded the state with opioids. Kentucky Attorney General Andy Beshear, a Democrat, also sued Endo last year.

Delaware sued manufacturers, distributors and pharmacies in state court there on Friday, saying the volume of opioids shipped to Delaware annually amounts to more than 50 opioid pills for each resident.

Hundreds of the suits filed in federal court have been consolidated in front of U.S. District Judge Dan Polster in Ohio. Judge Polster is pushing for early settlement talks and has encouraged state attorneys general that have filed suits to attend a meeting in his court this month.

Ohio Attorney General Mike DeWine, a Republican who filed one of the first major opioid cases this past summer, has said he has begun settlement talks with some opioid manufacturers.

Death Penalty Hangs Over Trial

BY CORINNE RAMEY

A federal judge declined to set a trial date for the man facing terrorism and murder charges for driving a truck down a Manhattan bike path, saying the possibility that government lawyers would seek the death penalty complicated the case.

"You're not going to get a trial date today, is the short answer," U.S. District Judge Vernon Broderick said Tuesday in federal court in Manhattan.

Federal prosecutors say the government is deciding whether to seek the death penalty for Sayfullo Saipov, who is accused of driving a rental truck down the bike path along the West Side highway, killing eight people and wounding at least 12 others on Oct. 31. Mr. Saipov, who has pleaded not guilty, told investigators that Islamic State videos he watched on his cellphone inspired him to carry out the attack, prosecutors say.

Mr. Saipov has offered to plead guilty if federal prosecutors don't ask for the death penalty, court filings indicate. If Mr. Saipov were to plead guilty, then victims' families wouldn't need to prepare for and participate in a trial, defense lawyers wrote. It also would avoid seating what they called a "death-qualified jury," or jurors who say their personal views on the death penalty wouldn't impede their ability to follow the judge's instructions.

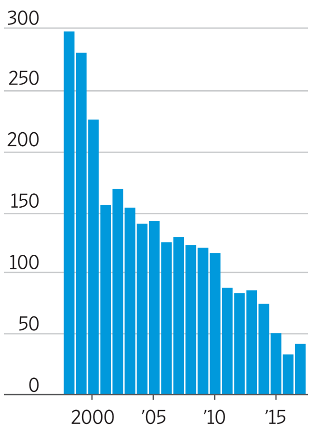
In court filings, government lawyers note the ultimate decision on whether to ask for the death penalty rests with the U.S. attorney general.

In court Tuesday, Mr. Saipov's lawyers argued they would need sufficient time to prepare a capital case. The average time between indictment and trial in federal capital cases is 36½ months, said David Patton, one of Mr. Saipov's lawyers.

Prosecutors said an April 2019 trial date would be appropriate.

Capital Punishment

Death sentences in the U.S.



Source: Death Penalty Information Center
THE WALL STREET JOURNAL.

Prosecutors: Ex-Cuomo Aide Driven by Greed

BY ERICA ORDEN

Former gubernatorial aide Joseph Percoco spent decades developing unparalleled influence with New York Gov. Andrew Cuomo, and on Tuesday federal prosecutors sought to transform that relationship, once considered an asset, into a criminal liability.

"For a state employee, getting a call from Percoco was like getting a call from the governor himself," Assistant U.S. Attorney Robert Boone said in his opening statement in Manhattan federal court.

Describing Mr. Percoco, who left Albany in 2016, as "one of the most powerful men in New York state government," Mr. Boone told the jury: "Wherever the governor went, Percoco went."

Mr. Boone's portrait of Mr. Percoco as an official who manipulated the levers of New York state government was designed to bolster federal prosecutors' charges that Mr. Percoco used his position to perform favors for private companies in exchange for payments and other perks. "This case is about corruption," Mr. Boone said, "the old-fashioned kind."

The trial is the latest in a series of criminal cases to emerge from Albany, which former Manhattan U.S. Attorney Preet Bharara once described as a "cauldron of corruption."

In response to a request for comment on the opening statements, a spokesman for Mr. Cuomo told a reporter to "knock it off." The governor hasn't been accused of wrongdoing.

The case, in which Mr. Percoco is charged with bribery, conspiracy to commit extortion, extortion and conspiracy to commit fraud, centers on at least $315,000 in payments and other alleged bribes he and his wife received from two companies in exchange for pushing for state approvals and other action that would benefit the firms.

Executives from those companies—Competitive Power Ventures Holdings LLC, an energy company; and COR Development Co. LLC, a Syracuse-based developer—are standing trial along with Mr. Percoco.

Crucial to the government's case against the men is a cooperating witness who on Tuesday became the primary tool of Mr. Percoco's defense. In his opening statement, Mr. Percoco's attorney, Barry Bohrer, told the jurors that the witness, Todd Howe, a lobbyist, would implicate Mr. Percoco and the other defendants to barter himself a lesser sentence.

"This is a man who is a walking breach-of-contract," Mr. Bohrer said of Mr. Howe, tossing off quips such as "Howe's house of lies."

"Todd Ransom Howe has kidnapped the truth in this case, and he's holding these gentlemen hostage," Mr. Bohrer said, referring to the defendants.

Prosecutors contend that Mr. Howe, also a Cuomo associate, facilitated the alleged bribery schemes between Mr. Percoco and the other defendants. Mr. Howe pleaded guilty in September 2016 to eight counts including extortion, conspiracy, wire fraud and tax evasion. An attorney for Mr. Howe declined to comment on Mr. Bohrer's remarks.

In particular Mr. Boone focused on the alleged scheme that resulted in what prosecutors contend are the biggest bribes for Mr. Percoco, a deal in which they say the energy company created an especially undemanding job for his wife that paid her nearly $300,000 over three years, in exchange for his help on two state matters.

MARK KAUZLARICH FOR THE WALL STREET JOURNAL

Joseph Percoco is accused of swapping political favors for cash and perks.

Mr. Percoco's wife, Lisa Percoco, wasn't charged.

Mr. Boone described a dire financial situation for Mr. Percoco and his wife that Mr. Boone said prompted Mr. Percoco's efforts to pad his $169,000 state salary with payments from private companies. "When he decided he wanted to make more money, he decided to sell the most powerful thing he owned: His job, his power and influence," Mr. Boone said.

Mr. Bohrer had told jurors that when Mr. Percoco left state service to work as Mr. Cuomo's campaign manager in the summer of 2014, Mr. Percoco didn't expect to return to government, thus preventing him from being able to peddle any promise of official action. But the prosecution presented contradictory evidence.

In a mortgage filing for his South Salem home dated August 2014, Mr. Percoco wrote: "I am guaranteed a position with Governor Andrew Cuomo post-election…" Mr. Percoco returned for his final stint of service in November 2014.

METRO MONEY | By Anne Kadet

Tech Startups Take a Bite out Of Food Waste


JAMES O'BRIEN

Forget Bitcoin or shares of Amazon.com. My current market obsession is the wild swings in the price of the pu pu platter for two at Lichee Nut, the Chinese restaurant in my Brooklyn neighborhood.

While diners who order at the restaurant pay $16.50 for the dish, folks using Gebni, an app offering dynamic, demand-based pricing on deliveries from several hundred restaurants around New York City see different rates throughout the day.

On a Sunday afternoon, the platter price sank to $12.44 before climbing to $13.21 using the Gebni app. The next day, the price started at $14.86, dropped to $12.43 by mid-afternoon and shot up to $15.01 in time for dinner.

Gebni is one of several local startups trying to solve a continuing logistical dilemma: There is likely enough prepared food to affordably feed everyone in New York City, but a lot winds up in the dumpster.

"The food waste problem is a big issue," says Mohamed Merzouk, the co-founder and CEO of Gebni.

Gebni's discounts, which depend on both overall order demand and demand for specific dishes, range up to 35%. But customers never pay more than a restaurant's standard menu price. "We do the reverse of surge pricing," he says.

I got an even bigger discount through goMkt, an app-based ordering platform modeled after flash-fashion sales. Only instead of **Burberry** and Balenciaga, it is bagels and burritos.

The dozen Manhattan restaurants participating in goMkt's pilot launch offer perishable foods at deep discounts, often to clear inventory at day's end. Butter Lane in the East Village has been offering half-price cupcakes in the evening. Bravo Pizza near Union Square sells whole pies for $12.50—if you're willing to fetch one at 3 a.m.

"It's items that typically go to waste," says goMkt founder Matthew Holtzman.

I used goMkt to order and pay for two servings of chicken korma at Chandni, a halal steam-table joint on West 29th Street in Manhattan. Upon arrival, I couldn't find the needed QR code on my app for scanning, and neither could anyone at the restaurant. But my order was in the system, and I soon had two half-priced entrees wrapped and ready to go. Mr. Holtzman says the glitch has been fixed.

Chandni owner Mohammad Ashraf says he sees goMkt as an opportunity to attract new customers. Indeed, he has had New York University students making the 20-block trek uptown for cheap curry.

Both these startups employ a unique strategy and fill a need, says Jennifer Goggin, a food-tech startup adviser and director of retail at Crave Food Systems. But they also face a typical startup conundrum. Busy restaurants hate to invest effort in a new platform unless there already is a big user base in place. Consumers, meanwhile, won't bother with an app that lacks a decent variety of appealing offers.

"It's a chicken and egg situation," Ms. Goggin says.

A third outfit addressing food waste is focusing on a less obvious source: catered events. For a $30 fee, Transfernation, a not-for-profit startup, has its network of independent contractors—often Uber and Lyft drivers who are already on the streets—pick up leftover food for delivery to the nearest shelter.

Donors who use Transfernation's app to arrange an instant pickup can take a tax write off, says co-founder Hannah Dehradunwala. The contractors earn $15 per pickup, and the shelters get free food.

"It took us a while to find a model that works, but now it benefits everyone involved," Ms. Dehradunwala says.

Transfernation makes up to 20 pickups a day from offices, film sets and receptions around the city, typically totaling 3,500 to 5,000 pounds of food a week. It's mostly your standard tuna wraps, dough-nuts and pasta, but they have delivered everything from steaks and wedding cake to a load of 40 lobsters.

There's plenty of room for growth, says Ms. Dehradunwala, who estimates 30,000 to 35,000 pounds of prepared food hits the city's trash stream each day. "We have enough food. Really great food. The only issue is to get it to where it can be used quickly."

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GREATER NEW YORK WATCH

NEW YORK

State Considers Own Net-Neutrality Law

New York state could adopt its own version of net neutrality under legislation state lawmakers announced Tuesday.

The bill would require internet providers doing business with New York or its municipalities to certify that they don't interfere with traffic or speed to favor certain sites or customers. Companies that don't abide by net neutrality when it comes to consumers wouldn't be eligible for contracts. "This is about keeping a free and open internet," said Assemblywoman Patricia Fahy, an Albany Democrat.

Several states are looking at creating net-neutrality rules after the Federal Communications Commission repealed the policy.

—Associated Press

NEW JERSEY

Medical-Pot Program To Undergo Review

Gov. Phil Murphy on Tuesday called for making it easier for New Jersey residents to use its medical-marijuana program, which he said has been "stifled" during the past eight years, and ordered a review aimed at removing regulations.

The Democrat faulted the administration of Republican former Gov. Chris Christie for making it difficult for residents to use the state's program, which has 15,000 enrollees. Other similar-sized states have hundreds of thousands of patients in their programs. The order comes after Mr. Murphy also promised to legalize marijuana for recreational use in New Jersey. A bill is pending in the Legislature.

—Associated Press

Parents Want Role in Process

By Leslie Brody

Elected parent leaders in New York City demanded Tuesday that Mayor Bill de Blasio give them a role in the selection of a new chancellor to run the nation's largest school system.

When the mayor announced in December that Chancellor Carmen Fariña would retire in coming months, he said a national search already was under way. He said he would keep the process "close to the vest" to respect the privacy of candidates with jobs.

About two dozen elected parent representatives sporting buttons declaring "Parent Voice" rallied outside the city Department of Education in lower Manhattan on Tuesday to urge the mayor to heed his campaign pledges of inclusive, transparent governance and family engagement.

They showed letters they sent Mr. de Blasio asking to meet with City Hall staff about their desire for input. Some want a group of seven parents representing special-education students, English-language learners and each borough to join the selection process.

A spokeswoman for the mayor said by email that "while parent and community input is an important part of our chancellor search, the decision is ultimately the Mayor's, who is a proud parent of former New York City public school students."

The morning rally included leaders of the Chancellor's Parent Advisory Council, which represents parent associations citywide, and leaders of the elected Community Education Councils. The demonstrators noted that other cities include parents in the vetting process, and doing so would result in the city hiring a chancellor with a broader mandate to run a district serving 1.1 million students.

"Our children are the ones in schools," said Angela Garces, a member of the Community Education Council for District 6 in northern Manhattan. "We're looking to have input, we're not looking to take over."

1.1M
Number of students enrolled in New York City public schools.

The parents said they wanted a chancellor with experience in teaching and administration in a large, diverse district, with a record of collaborating with parent leaders, and a commitment to tackling segregation, among other issues.

Ms. Fariña, 74 years old, has said it was time to step down from the all-consuming position after four years as chancellor and a half-century of working in city schools.

CORRECTIONS & AMPLIFICATIONS

In some editions Tuesday, Erica Orden's name was incorrectly given as Eric Orden in the byline of an article about a former aide to Gov. Andrew Cuomo going on trial.

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

Connecticut Unveils Commemorative License Plate


SUSAN HAIGH/ASSOCIATED PRESS

WHALE OF A TIME: Former Hartford Whalers hockey player Bob Crawford, right, and Pucky, the team mascot, attended an event Tuesday to display a license plate bearing the former NHL team's logo.

LIFE & ARTS

OSCARS

For 'Water,' a Flood of Nominations

Jordan Peele of 'Get Out' and Greta Gerwig of 'Lady Bird,' both first-time filmmakers, are contenders in directing

BY ELLEN GAMERMAN

Top left, Richard Jenkins, Guillermo del Toro and Sally Hawkins, all three of them Oscar nominees for 'The Shape of Water'; top right, Mary J. Blige in 'Mudbound'; above, a scene from 'Dunkirk'; 'Lady Bird' director Greta Gerwig; below, nominations announcers Andy Serkis and Tiffany Haddish.

"THE SHAPE OF WATER," a lyrical love story about a mute woman and an amphibious creature, emerged as the early front-runner in the Oscar race, racking up 13 nominations as the Academy of Motion Picture Arts and Sciences announced its list of contenders Tuesday morning.

Right behind it, Christopher Nolan's "Dunkirk," with eight nominations, and "Three Billboards Outside Ebbing, Missouri," with seven, including three acting nods.

Echoes of the #metoo movement, which has prompted discussion about the barriers women face in Hollywood, could be heard in the announcement, with the Academy making history in at least one category. Until this year, no woman had been nominated for cinematography, a barrier Rachel Morrison broke with her nod for "Mudbound."

The director nomination of Greta Gerwig for "Lady Bird," the coming-of-age tale that marked her filmmaking debut, breaks a seven-year drought for women in that category. Earlier this month, actress Natalie Portman put a spotlight on the issue at the Golden Globes, announcing the names of the "all male nominees" for best director. The camera then cut to male directors sporting a series of sheepish expressions.

The man who won the category that evening, "The Shape of Water" director Guillermo del Toro, was also named an Oscar nominee on Tuesday.

"At age 53, I feel very happy that for the last five years we were all risking all as if we were 17," he said. The filmmaker said he was glad Ms. Gerwig was recognized in the directing category and added of that awkward Golden Globe moment: "I actually loved it. The part I enjoy most of these ceremonies is when people go off-script and say exactly what they're thinking—and this is the season to say exactly what you're thinking."

Notably absent from the list of nominees: James Franco, the star and director of "The Disaster Artist" who found himself on the defensive earlier this month after women on social media accused him of sexual misconduct in the wake of his Golden Globe win for best actor in a motion picture musical or comedy. "The Disaster Artist" scored one Oscar nomination, for adapted screenplay.

The Weinstein Co. didn't receive any nominations this year. Its 2017 films, including "Tulip Fever" and "Wind River," never exploded at the box office. While at Miramax and the Weinstein Co., Harvey and Bob Weinstein had received more than 340 Oscar nominations and won more than 80 Academy Awards.

Last year, dozens of women accused Harvey Weinstein of sexual misconduct over episodes spanning several decades. Mr. Weinstein, fired by the company's board, has apologized for his behavior with colleagues and denied claims of nonconsensual sex. After the scandal, women across the country have reported their own experiences with sexual harassment.

In other nominations, best-actor contenders include Gary Oldman, for his portrayal of Winston Churchill in "Darkest Hour." Also nominated: Timothée Chalamet, lauded for his turn as a teenager in an erotic awakening in "Call Me By Your Name," and "Phantom Thread" lead Daniel Day-Lewis, playing a 1950s London high-fashion designer in what he called his final film role.

Another standout: Daniel Kaluuya, star of "Get Out," the horror film about racism that also netted a best-picture nod and Oscar nominations for writer-director Jordan Peele. Like Ms. Gerwig, this is Mr. Peele's debut as a feature-film director.

The dominance of Hollywood newcomers this year is unusual. The last time two first-time filmmakers were nominated for directing Oscars was in 2000, when Spike Jonze and Sam Mendes were in contention for "Being John Malkovich" and "American Beauty," respectively. Mr. Mendes took home the Oscar that year.

The list includes some surprises. "Logan," widely praised by critics as deeper and more character-focused than other comic-book adaptations, became the first superhero film to earn a screenplay nomination. And despite the small $6 million box office take for "Phantom Thread," the movie received six nominations, including best picture and a directing nod for Paul Thomas Anderson.

Frances McDormand solidified her lead in the Oscar race for best actress, earning a nomination for her portrayal of a grief-stricken mother battling the local police over the unsolved rape and murder of her teenage daughter in "Three Billboards." She has already won a Golden Globe and Screen Actors Guild Award for the performance.

Saoirse Ronan also received a nod for her turn as the quirky heroine of "Lady Bird," as did Sally Hawkins for her performance in "The Shape of Water." Meryl Streep's best-actress nomination for her portrayal of Katharine Graham in "The Post" gives her a record 17 nominations in that category.

"Three Billboards" also nabbed best-supporting actor nominations for Sam Rockwell and Woody Harrelson. The supporting actress race continues to look like a showdown between Allison Janney in "I, Tonya" and Laurie Metcalf in "Lady Bird," both nominated on Tuesday in addition to Mary J. Blige ("Mudbound"), Lesley Manville ("Phantom Thread") and Octavia Spencer ("The Shape of Water"), who won in this category in 2012 for "The Help."

"I can't stop crying, and these are happy tears," Ms. Blige, 47, said in an interview after the announcement. The singer-songwriter added that she has never attended an Oscars ceremony, but always wished she were there as she watched the show on TV. In addition to her supporting-actress nomination, her song "Mighty River" scored a nod for original song.

"I'm just really overjoyed and humbled all at the same time, because it didn't have to be this way," she said. "It's a beautiful thing to be amongst all those beautiful people on that beautiful night."

The Oscars will air live on ABC on March 4, with late-night comedian Jimmy Kimmel returning as host.

FROM TOP, LEFT TO RIGHT: KERRY HAYES/FOX SEARCHLIGHT PICTURES; STEVE DIETL/NETFLIX; MELINDA SUE GORDON/WARNER BROS. PICTURES; MERIE WALLACE/A24; RICHARD HARBAUGH/AMPAS. BELOW: F. MARTIN RAMIN/THE WALL STREET JOURNAL

WORK & FAMILY | By Sue Shellenbarger

THE RISE OF THE ODDBALL BUSINESS CARD

GETTING A BUSINESS CARD from Randall Ostrow can be a puzzling experience. To make an impression, he hands out wooden cards in jigsaw shapes.

"My card is like a Rubik's Cube sitting on someone's desk," says Mr. Ostrow, owner of a Boca Raton, Fla., business-development advisory firm bearing his name. Recipients tend to keep it for a while, and "when they're on the phone they're playing with the puzzle piece, and my name is always in front of their face."

Many people see the traditional black-and-white business card as a relic. Few employers issue them to all employees anymore. But ambitious networkers, entrepreneurs, salespeople, marketers and others still need them.

Enter the DIY business card, where odd designs and materials rule. Some people embrace edgy shapes and colors or make cards of metal, plastic or wood. Others carry outsize square cards or tiny ones barely larger than a stick of gum. While oddball cards may make a strong impression, they also risk annoying recipients if they can't be scanned easily or won't fit into a wallet or purse.

Greta Schulz aims to startle people when she hands them her card, which is shaped like a trapezoid with a slanted bottom edge. "People go, 'Omigod,' and it starts a conversation," says Ms. Schulz, a West Palm Beach, Fla., sales trainer and consultant. "You want to make a statement, to make sure people remember you."

Kevin Mitnick, who runs a security-training firm, carries a metal business card with a set of removable lock-picking tools.

When recipients complain that her card won't fit in their wallet or card holder, Ms. Schulz says "you're absolutely right"—and leaves it at that. After a pause, she says, "They say, 'Oh, you want it to stick out!'"

Mel Carson's business cards, from Moo Inc., an online print and design company, are three times thicker than traditional cards, with seams of red running through the paper stock. When he handed one to his wife Ashley, she assumed it was several cards stuck together and tried to pull it apart. Mr. Carson, founder of Delightful Communications, a Seattle personal-branding and digital-marketing company, told her that would be a plus if she were a potential business contact: "You've just spent 200% more time feeling the card and admiring its quality" than she would have with a traditional card.

Some cards need a safety warning. Famed hacker Kevin Mitnick hands out a lightweight metal business card that holds a removable set of flat lock-picking tools. Mr. Mitnick, who made headlines in the 1990s by breaking into tech companies' computer systems, is a public speaker and chief hacking officer at KnowBe4, a Clearwater, Fla., security-training firm. He gives away about 14,000 of the lock-pick cards each year.

One recipient cut his finger using the picks. "You have to be

Please see CARDS page A15

MY RIDE | By A.J. Baime

A Mercedes With Roots in Three Continents

Matías Bombal, 50, a movie critic and documentary filmmaker from Sacramento, Calif., on his 1959 Mercedes-Benz 220 S, as told to A.J. Baime.

In 1959, my father was studying romanticism in literature in Germany. He wanted to buy a car and decided that if he got together all his money, he could buy one that would last him forever. He chose a Mercedes-Benz and drove it all over Europe. The quality of the car felt very German to him, and he was enchanted by it.

The car crossed the Atlantic aboard an Italian ocean liner to his home country of Chile in 1960. Then in 1969, he took it to California, where he became a professor at the University of California, Berkeley.

For my entire life, this has been our family car. I grew up in it. I went on my first date in it, to "The Nutcracker."

When my father passed in 2009, I inherited the car. And while he was rather private about it, I have chosen to give it a more public life.

Due to my profession, I have, on occasion, the chance to squire famous people from show business around. The car has been used in a couple independent films.

I named it "Eva," due to the first digits in its California license plate—the original plate it got in 1969 when my father came to this country—and I created a Facebook page called "Mercedes Eva Bombal." As of now, exactly 611 follow the car's adventures.

There are photos on the Facebook page that cover the whole life of the vehicle, and you can see pictures of me at 4 years old, sticking my head through the sliding steel sunroof—which was an interesting add-on my father originally ordered, very rare for this model.

The car has no computer components. Everything in that 2.2-liter, six-cylinder engine can be disassembled and repaired, and to Mercedes-Benz's credit, the company still makes parts for 60-year-old cars. This one can do 110 mph, but I do not push it for obvious reasons.

The most wonderful, intangible element is the smell of the interior. It has its original tan leather, wooden dashboard and ivory steering wheel. It smells exactly as it did when I was 2 years old.

People ask me if it is a period piece, since so much of my life is about classic cinema. To me, it is the opposite of a period piece. It is timeless.

—Contact A.J. Baime at Facebook.com/ajbaime

Matías Bombal, a movie critic and documentary filmmaker, leans on his 1959 Mercedes-Benz 220 S outside the Tower Theatre in Sacramento, Calif.

MAX WHITTAKER FOR THE WALL STREET JOURNAL

PETER GANNUSHKIN

'Octopus' is the new album from jazz pianists Craig Taborn and Kris Davis.

MUSIC REVIEW

DIVING FOR DEEP LISTENING

BY MARTIN JOHNSON

PIANO DUET RECORDINGS are rare in jazz compared with trios or solos, yet they offer huge rewards. A duet of artists with contrasting styles—say, Chick Corea and Herbie Hancock or Cecil Taylor and Mary Lou Williams—enables listeners to find surprising common ground between the performers and appreciate the idiosyncracies more. Duets pairing pianists with similar approaches—as on the albums featuring Hank Jones and Tommy Flanagan or the one with Muhal Richard Abrams and Amina Claudine Myers—offer insights into the roots of their technique and often take listeners into unexpected sonic territory. The latter is the case with "Octopus" (Pyroclastic, out Friday), a splendid document of live recordings featuring pianists Kris Davis and Craig Taborn.

With their lean, restrained and abstract music, both Ms. Davis and Mr. Taborn often remind me of the painter Paul Klee in their embrace of the modern trends that recently preceded them. In addition, their style is bright but not sunny, like the flavor of a Sancerre. "Octopus" consists of two compositions by Ms. Davis, three by Mr. Taborn, and two covers—the Carla Bley jazz standard "Sing Me Softly of the Blues" and Sun Ra's "Love in Outer Space." The recording opens with Mr. Taborn's "Interruptions One," a spare, lyrical piece in which both pianists skillfully interact with silences as capably as they do with each other. The proceedings heat up a little on Ms. Davis's "Ossining," which is named for the town in the Hudson Valley, a region where she and many other musicians now live. The pace quickens and each pianist layers cluster over cluster, with Ms Davis playing prepared piano in parts to exhilarating effect. Their reserve gives Ms Bley's composition a wistful air; they find a soulful edge with the music of Sun Ra.

"Octopus" is compiled from concerts in Ann Arbor, Mich.; Columbus, Ohio; and San Diego, when the duo toured following the Ms. Davis's 2016 album, "Duopoly" (Pyroclastic), which featured duets

with Mr. Taborn and such other jazz luminaries as guitarist Bill Frisell, clarinetist Don Byron and saxophonist Tim Berne. One stop on the tour, at the Kennedy Center in Washington, can be found on YouTube, and the variance is instructive. There are elements of the compositions found on Octopus, but many are taken in substantially different directions. Both pianists are restless improvisers with enormous arsenals of ideas.

Mr. Taborn, who is 47 years old, has had notable sideman gigs with saxophonists Roscoe Mitchell and Chris Potter as well as bassist Chris Lightcap, but his recent work as a leader on three recordings for ECM has solidified his reputation as one of the leading pianists in jazz. Ms. Davis, who is 38, has been a standout in bands led by bassist Michael Formanek, drummer Terri Lyne Carrington, saxophonist Ingrid Laubrock and others; she leads the acclaimed quintet Capricorn Rising and several other bands. She will perform nightly in various configurations at The Stone in New York from Jan. 23-28.

Ms. Davis and Mr. Taborn, as well as many of their contemporaries, are elevating jazz beyond the limiting continuum of accessibility and abstraction. Long rhythmically intense stretches of "Octopus" are easy to grasp, yet so too are the austere sections. It's music that is defining its own terms rather than shoehorning itself into categories like tradition and avant garde. The audience gets it; the enthusiastic ovations that punctuate the recording border on ecstatic.

Mr. Johnson writes about jazz for the Journal.

CULTURAL COMMENTARY | By Jim Fusilli

The Grammys' Boys' Club

Women are underrepresented in this year's Grammy nominees

IN THEORY, the Grammys, which will be presented Sunday, reflect what's happened in the past year in contemporary music. Two trends that emerged during the eligibility period were the ascendancy of hip-hop and R&B to the status of the most popular form of current music, surpassing rock when measured by sales and streams, and what seemed to be the gathering force of women in rock, pop and jazz. Do this year's nominees recognize those trends?

Hip-hop and R&B dominate the Album of the Year and Record of the Year categories, with recordings by Childish Gambino, Jay-Z, Kendrick Lamar and Bruno Mars up for the award in both. (Lorde's pop "Melodrama" is the fifth nominee in the album grouping, while Luis Fonsi and Daddy Yankee's reggaeton-influenced "Despacito" is the remaining nominee in the record class.) There are no rock records or artists up for Song of the Year, which celebrates composers, or Best New Artist either.

As for the other trend: Women are underrepresented throughout the list of potential Grammy winners. Along with Khalid and Lil Uzi Vert, the Best New Artist nominees are Alessia Cara, Julia Michaels and SZA, thus making it the only majority-female grouping in the so-called big four categories. The featured nominees in Best Americana Album and Best Traditional Blues Album classes are all male. In the Dance/Electronic grouping, no women are nominated either, which may not be a surprise given the relative paucity of female DJs and producers among the genre's most highly touted creative spinners. No groups led by women are among the nominees in the Best Contemporary Instrumental, Best Jazz Instrumental, Best Large Jazz Ensemble and Best Contemporary Christian Music album categories. There is no Grammy category comprised entirely of women.

Perhaps one reason rock appears to be lagging in its commercial appeal is how poorly it's presented by the Recording Academy. The four rock categories are a logic-defying mess. For example, the exquisite composer Leonard Cohen, who died in November 2016, is nominated for Best Rock Performance for his song "You Want It Darker," the overwrought title track of his fine final album. However, no Cohen composition is up for Best Rock Song, unlike raging mediocrities performed by Avenged Sevenfold, Foo Fighters, K.Flay, Metallica and Nothing More. Best Rock Performance and Best Metal Performance are separate categories, but the Best Rock Album nominees include metal's Mastodon and Metallica, metal-influenced Nothing More and Queens of the Stone Age, and a straight-ahead rock disc by the War on Drugs. (Not one of those bands currently counts a woman as a member.) Though absent groups led by women, the nominees for Best Alternative Music Album provide a better representation of what's happening on the rock side of pop: "Everything Now" by Arcade Fire, "Humanz" by Gorillaz, "American Dream" by LCD Soundsystem, "Pure Comedy" by Father John Misty and "Sleep Well Beast" by the National.

This year, as in many past, some of the most notable recordings are nominated in some of the least celebrated categories. Way down the list in Category 51 is the Best Folk Album grouping, which features the superior recordings "Mental Illness" by Aimee Mann; "Semper Femina" by Laura Marling; "The Queen of Hearts" by Offa Rex, an often-rousing collaboration between Olivia Chaney and the Decemberists; "You Don't Own Me Anymore" by the Secret Sisters; and "The Laughing Apple" by Yusuf aka Cat Stevens.

Despite its gender bias, the Best Dance/Electronic Album grouping comprises recordings that mostly avoid EDM's fervor for formula; the nominees are "Migration" by Bonobo, the self-titled full-length debut by Mura Masa, "A Moment Apart" by Odesza, "What Now" by Sylvan Esso and the outlier, "3-D The Catalogue" by Kraftwerk, which is a collection of 69 live tracks culled from concerts performed between 2012 and 2016.

The Grammys give scant attention to indigenous musicians who reflect their culture. The five nominees for Best Regional Roots Music Album—a crazy quilt of a category—include one disc each of Cajun, Hawaiian, Native American and zydeco music along with Josh Tatofi's stirring "Pua Kiele," which might be called Polynesian soul. Similarly, the Best World Music Album category omits artists from most of the globe: This year, the nominated artists include two from Spain, one each from South Africa and Mali, and the collaboration between Anat Cohen, a New York-based clarinet and saxophone player, and the Brazilian group Trio Brasileiro.

It's long past the time when the Grammy nominees could be considered a compendium of the best in contemporary music, even if the Academy acknowledges some exemplary records. Nevertheless, for its annual and much-ballyhooed celebration that's build in large part on mirroring industry trends, the Academy has to do more to recognize the impact and artistry of women in rock and pop.

Mr. Fusilli is the Journal's rock and pop music critic. Email him at jfusilli@wsj.com and follow him on Twitter @wsjrock.

FROM TOP: ADAM BERRY/REDFERNS/GETTY IMAGES; CHARLES SYKES/INVISION/ASSOCIATED PRESS

Childish Gambino, above, is nominated for Record of the Year and other awards; Aimee Mann, top, is nominated for Best Folk Album for her 'Mental Illness.'

CARDS

Continued from page A13

careful not to push too hard," Mr. Mitnick says.

Some users question the usefulness of kooky cards. Executive recruiter Carolyn Thompson, who collects 1,000 cards a year, is annoyed by tiny cards that fall out of the stacks she makes at conferences. And black cards with indistinct lettering, or those with contact information on both sides, can't be scanned. "You have to manually enter the information. God forbid," says Ms. Thompson, managing principal of Merito Group in Vienna, Va.

Alexandra Morris keeps a stack of square, gold-embossed business cards on her desk. She purchases them for her luxury catering business, Tastings, in New York. "I like the tactile experience, for the same reason I like reading a book or a newspaper."

Another photographer, Ron Wood, says he's willing to pay nearly $2 a pop for his metal business cards because people never throw them away. Recipients often say, "This is your card? Are you giving this to me? Are you sure?" says Mr. Wood, of Fort Lauderdale, Fla.

"You don't walk down the street throwing them to just anybody," says Craig Martyn, founder and

F. MARTIN RAMIN/THE WALL STREET JOURNAL (4)

owner of My Metal Business Card, the Fullerton, Calif., company that makes Mr. Wood's cards. One hundred of the cards weigh 4 pounds: If you carry too many, "it would make your pants sag," he says.

Hannah Paramore Breen offers contacts business cards in four colors that match the frames on her four sets of reading glasses. The card color choices are a conversation starter, says Ms. Breen, executive vice president of Paramore Digital, a Nashville, Tenn., creative agency. "Men choose pink a lot. They say, 'I'm man enough to wear pink.'"

Most people exchange contact information via LinkedIn, email, text or airdrops between phones, or by using one of several apps that scan and store business-card contacts. Some novel cards aiming to bridge the digital and analog worlds, such as those bearing QR codes, are already passe.

Traditional business cards remain essential in other cultures. "Having cute cards in cutout shapes doesn't translate well" in Japan and other Asian nations, where cards are expected to be formal in style and received respectfully, with two hands, says Michael Schell, the New York-based chief executive of RW3 CultureWizard, an intercultural training company.

In the U.S., traditional cards with simple block lettering are still de rigueur in such fields as law or finance, says Jill Tipograph, co-founder of Early Stage Careers, a New York City coaching service. She advises her young clients to carry business cards "as a point of distinction" during a job search, and to choose a style similar to the business cards or websites of companies where they'd like to work.

SPORTS

BASEBALL

How the Hall of Fame Vote Is Expected to Go

BY JARED DIAMOND


Jim Thome


Vladimir Guerrero


Chipper Jones

L-R: MARK DUNCAN/ASSOCIATED PRESS; GINA FERAZZI, KEVIN C. COX (GETTY IMAGES)

THE BASEBALL Writers' Association of America will unveil the results of its annual Hall of Fame election on Wednesday to little surprise. Since more than half of voters have made their ballots public, we can already more or less deduce who will wind up in Cooperstown this summer.

First-time candidates Chipper Jones, the longtime Atlanta Braves third baseman, and Jim Thome, the burly first baseman who blasted 612 home runs in his major-league career, look like locks. Outfielder Vladimir Guerrero will also breeze in after falling just 15 votes shy of induction last year.

Meanwhile, San Diego Padres closer Trevor Hoffman and Seattle Mariners designated hitter Edgar Martinez remain right on the cusp, with at least one, if not both, positioned to clear the 75% hurdle.

But perhaps more intriguing than who will comprise the Class of 2018 is some of the players who won't—at least not yet. So with that, here are three takeaways from this election cycle:

Just Say No...to PEDs

Barry Bonds and Roger Clemens, two all-time greats whose historic production has been tarnished by their suspected use of performance-enhancing drugs, saw a surge on the ballot last year. In their fifth turn on the ballot, both had their vote totals jump from around 45% into the mid-50s, sparking speculation that they could eventually be enshrined.

That momentum for Bonds and Clemens has stalled. As of Tuesday afternoon, Bonds and Clemens had each flipped a net of just two writers from last year and are projected to finish within a few percentage points of last year. Though new voters tend to support Bonds and Clemens, the data suggests the turnover in the ranks won't be enough to bring the duo to 75%.

"The mindsets that were available to change have changed," said Ryan Thibodaux, a baseball fan who tracks publicly available Hall ballots. "Their only hope is the turnover of voters is enough to make up that ground."

Good Bat or Great Glove?

Though modern defensive metrics continue to gain popularity in the mainstream, defense-first Hall candidates continue to be a tough sell for voters. In his debut on the ballot, 11-time Gold Glove-winning shortstop Omar Vizquel is tracking at around 31% at this point. Outfielder Andruw Jones, who won 10 Gold Gloves of his own, has fared even worse, so far appearing on just 6% of ballots.

Defensive wizards have found a home in the Hall in the past. Shortstop Ozzie Smith, second baseman Bill Mazeroski and third baseman Brooks Robinson are in, for instance, despite average or even below-average offensive résumés. But those players are widely considered to be the best fielders ever at their positions. Vizquel and Jones aren't—but they're close.

John Dewan, the president of Baseball Info Solutions and an expert in defensive statistics, says that the data suggests that no more than 15 or 20% of a player's total worth derives from defense. As a result, he understands voters saving the Hall for the best of the best.

"I'm Mr. Defense, but it's still not as important as how you hit," Dewan said. "I don't really have a hard time with people questioning it."

Looking to the Future

A few, perhaps surprising, players have received more support than in the past, pointing to an eventual induction. Chief among them: Mike Mussina, the former Baltimore Orioles and New York Yankees pitcher, is expected to jump from 51.8% last year into the 60s, which Thibodaux says "all but assures he'll get in."

Another once-ignored candidate suddenly climbing into contention is outfielder Larry Walker, who received just 20.3% of the vote in 2011, his first time on the ballot. Walker has thus far enjoyed a net gain of 30 writers who didn't vote for him the year before.

So while Walker once "looked dead in the water," Thibodaux now believes that he can make a late run. He added that Mussina and Walker are often named as players voters would choose if they weren't limited to a maximum of 10 each year.

"Voters wanted to vote for them all along, but they were their 11th or 12th choice," Thibodaux said.

BASKETBALL

NBA'S SEASON OF ANGST

BY BEN COHEN


LeBron James

ALEX GOODLETT/ASSOCIATED PRESS

HERE'S AN INCOMPLETE list of events that happened around the NBA from Monday afternoon to Monday evening alone:

- Milwaukee Bucks coach Jason Kidd was fired.
- The Cleveland Cavaliers held what ESPN called a "fiery team meeting" to discuss their annual meltdown.
- Michael Jordan contacted the Charlotte Observer to address reports of the Hornets shopping Kemba Walker.
- Trail Blazers guard Damian Lillard reportedly asked for a private meeting with Portland owner Paul Allen to discuss the future of the organization.
- The San Antonio Spurs—even the Spurs!—found themselves fighting ESPN's report of a "chilling effect" between the team and star Kawhi Leonard.
- Washington Wizards guard John Wall called Dallas Mavericks guard J.J. Barea "just a little midget trying to get mad," to which Barea shot back: "now I have somebody in the NBA that I don't like."

And that was one random weekday in the middle of the season.

The NBA is as much a professional sports league these days as a nightly soap opera complete with polarizing characters, extended story arcs and unexpected plot twists, and Monday's episode managed to cram several weeks of melodrama into one dizzying evening while creating enough cliffhangers to keep viewers coming back for more.

It wasn't merely a night of basketball. It was sweeps week.

This particular soap opera has seen its audience building for a few years now, but there's an unmistakable difference this season: There's a whole lot more angst. There is so much existential dread that if Kierkegaard were alive he wouldn't bother writing philosophical treatises. He'd be tweeting about the NBA.

Why is everyone in the NBA so grumpy about everything?

Maybe it's because the regular season began two weeks earlier. Maybe it's because news cycles have been compressed so much that if you turn off your phone for a few hours you miss a few days worth of news, rumors, subtweets and cryptic Instagram posts. Maybe it's because social media has distorted our brains into thinking every little thing is a big deal.

It's probably all that plus the answer to pretty much every interesting question about the NBA: the Golden State Warriors.

There are only a handful of teams that can realistically delude themselves into believing they have a chance to beat the Warriors in a seven-game series. And many of those teams with Warriors envy have also underachieved this year—none more than their opponent in the last three NBA Finals.

At the root of Cleveland's latest crisis is a double whammy of misery. The Cavs understand they're not good enough to challenge Golden State with their current roster. They also understand this might be their last shot with LeBron James. Now they have until the trade deadline of Feb. 8 to do something—anything—to make themselves better and make themselves feel better.

Weather

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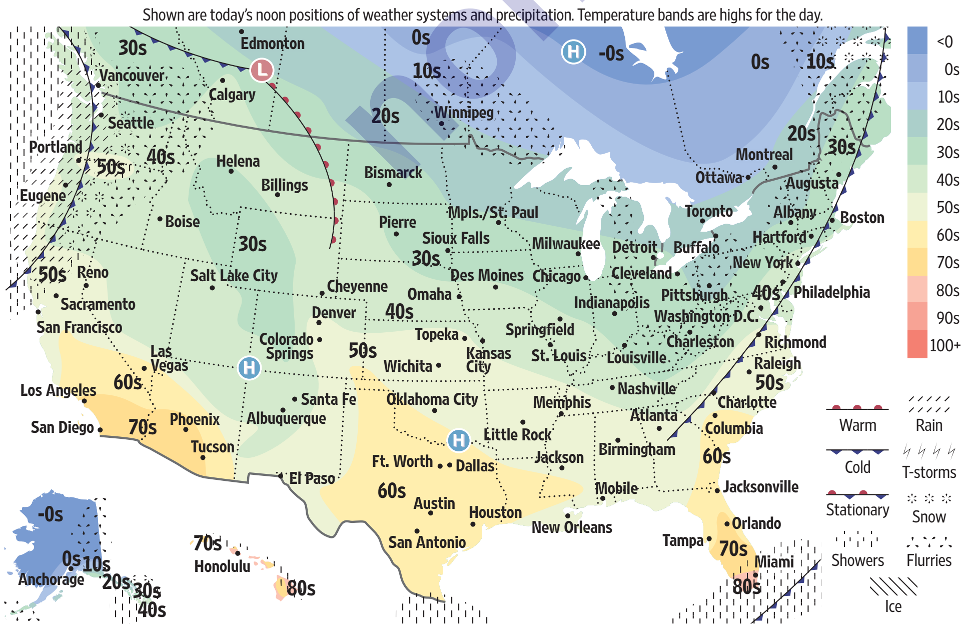
Shown are today's noon positions of weather systems and precipitation. Temperature bands are highs for the day.



U.S. Forecasts

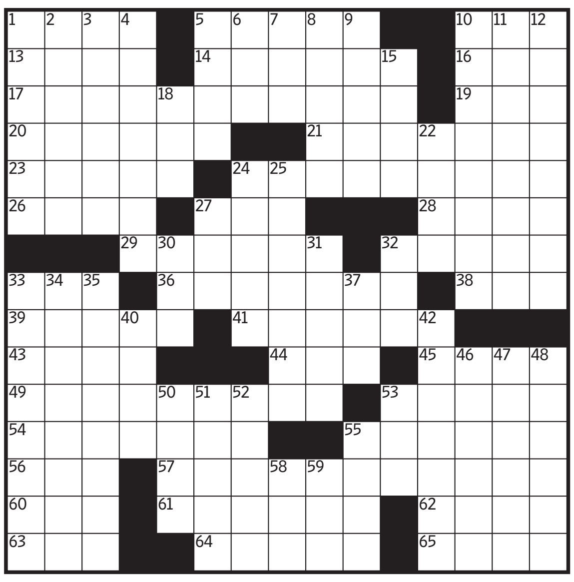
s...sunny; pc... partly cloudy; c...cloudy; sh...showers; t...t'storms; r...rain; sf...snow flurries; sn...snow; i...ice

City	Today Hi	Today Lo	Today W	Tomorrow Hi	Tomorrow Lo	Tomorrow W
Anchorage	3	-7	pc	0	-9	pc
Atlanta	51	31	s	56	33	s
Austin	65	33	pc	65	45	pc
Baltimore	44	26	s	40	22	s
Boise	47	35	c	44	30	c
Boston	39	21	pc	29	18	s
Burlington	28	7	c	17	7	pc
Charlotte	55	28	s	54	30	s
Chicago	34	25	pc	43	34	pc
Cleveland	30	24	sf	37	31	pc
Dallas	64	37	s	66	47	s
Denver	50	30	s	56	22	pc
Detroit	30	20	c	35	28	pc
Honolulu	84	70	pc	83	69	sh
Houston	63	38	pc	63	47	pc
Indianapolis	33	23	pc	46	33	s
Kansas City	48	33	s	58	43	s
Las Vegas	60	39	pc	64	38	pc
Little Rock	56	31	s	60	33	s
Los Angeles	75	49	pc	63	47	c
Miami	80	64	sh	73	67	pc
Milwaukee	30	23	pc	39	32	pc
Minneapolis	31	20	pc	36	33	c
Nashville	46	25	s	55	32	s
New Orleans	56	40	c	59	46	s
New York City	42	24	pc	34	23	s
Oklahoma City	58	34	s	61	42	s
Omaha	42	26	s	50	37	pc
Orlando	70	49	pc	67	54	pc
Philadelphia	43	26	pc	38	23	s
Phoenix	76	49	s	74	47	s
Pittsburgh	28	23	c	33	26	pc
Portland, Maine	36	13	pc	23	9	pc
Portland, Ore.	50	39	r	46	38	r
Sacramento	54	42	r	52	38	sh
St. Louis	45	30	s	60	38	s
Salt Lake City	44	33	pc	43	27	sn
San Francisco	55	46	r	53	44	r
Santa Fe	45	17	s	46	22	s
Seattle	48	38	r	45	39	r
Sioux Falls	33	18	pc	39	30	c
Wash., D.C.	47	31	s	44	29	s

International

City	Today Hi	Today Lo	Today W	Tomorrow Hi	Tomorrow Lo	Tomorrow W
Amsterdam	57	43	r	49	38	sh
Athens	49	39	pc	49	38	pc
Baghdad	68	46	s	72	47	s
Bangkok	90	78	c	90	79	pc
Beijing	29	8	s	27	8	pc
Berlin	50	45	pc	49	40	r
Brussels	56	45	c	48	38	pc
Buenos Aires	79	53	s	77	64	pc
Dubai	73	58	s	75	60	s
Dublin	48	38	sh	45	34	sh
Edinburgh	47	36	pc	44	31	c
Frankfurt	54	46	pc	50	39	r
Geneva	54	39	pc	52	39	c
Havana	81	67	pc	76	66	pc
Hong Kong	71	63	pc	71	60	pc
Istanbul	41	35	sn	42	36	sn
Jakarta	87	77	sh	86	76	t
Jerusalem	53	43	pc	47	37	sh
Johannesburg	82	58	c	79	59	pc
London	56	42	r	50	37	pc
Madrid	58	38	pc	52	33	sh
Manila	87	75	pc	88	76	pc
Melbourne	79	59	s	85	67	s
Mexico City	66	44	pc	64	45	pc
Milan	50	36	s	44	40	sh
Moscow	21	9	c	22	20	c
Mumbai	87	66	pc	89	64	pc
Paris	55	46	c	49	39	c
Rio de Janeiro	93	78	pc	93	76	pc
Riyadh	81	55	s	83	56	pc
Rome	59	42	s	58	47	pc
San Juan	85	73	pc	84	73	s
Seoul	14	2	s	19	3	c
Shanghai	40	32	pc	38	34	sn
Singapore	86	76	t	86	76	t
Sydney	86	73	c	83	73	c
Taipei	64	59	r	69	60	pc
Tokyo	42	27	pc	38	29	s
Toronto	26	13	c	26	20	s
Vancouver	46	37	sh	44	36	r
Warsaw	39	35	sn	42	31	c
Zurich	52	34	pc	51	37	c

The WSJ Daily Crossword | Edited by Mike Shenk



IMPRESSIVE! | By Samuel A. Donaldson

Across

1 Stat, in the office
5 Pro wrestling venue
10 "Holy cow!" online
13 Role for George Takei and John Cho
14 Runs to
16 Saint, in Portuguese place names
17 Amazing mammoth?
19 Mileage meter, for short
20 "Streetcar" exclamation
21 Went around
23 Campground sights
24 Great enthusiast?
26 Greek peak
27 "Why yes, I'd love a walk," in dogspeak
28 Gallic girlfriend
29 Dresser's kin
32 Bar specification
33 Michael of "SNL"
36 Excellent wages?
38 Famed multivolume ref. wk.
39 Dancers Montez and Falana
41 Bean-shaped organ
43 Pac-12 team
44 Quiet assent
45 Middle voice
49 Well-done finales?
53 Mammoth hunt weapon
54 Silly Putty producer
55 Digestion-related
56 Sugar substitute?
57 Awesome speller?
60 SASE, e.g.
61 Most of Algeria
62 Nostalgic soda brand
63 Atlanta-to-Tampa dir.
64 "ABC" and "SOS"
65 Common street pattern

Down

1 Requests one's presence at
2 Hotel offerings
3 Tim and Woody
4 Can feature
5 Gillette brand introduced in 1977
6 Dust-up
7 Suffix for many a biblical verb
8 Civil rights org. since 1909
9 Kate's TV partner
10 Tune that translates roughly to "My Sun"
11 Tried to get along
12 Scout's daily obligation
15 One bound to work hard?
18 Ernie of the links
22 Fellini's farewell
24 Rubbish
25 Like in nature
27 Tycoon Onassis
30 Constitution opener?
31 Swept styles
32 Bill of science shows
33 Groups of eggs
34 Branding tools
35 Refined quality
37 "Your point being?"
40 Quite pale
42 Running off at the mouth
46 Monogram component
47 Disciplined exercise routine
48 Pale purple
50 Drags with a chain
51 Inventor Howe
52 Cheese-covered chip
53 Follow a pattern, perhaps
55 Smartphone forerunners
58 Mo. neighbor
59 Bit of work

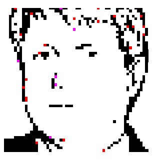
▶ Solve this puzzle online and discuss it at **WSJ.com/Puzzles.**

Previous Puzzle's Solution

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

OPINION

Trump's Russian Money



BUSINESS WORLD
By Holman W. Jenkins, Jr.

Before we come to the insinuations of money laundering, which Steve Bannon believes to be the Trump clan's real vulnerability in the Mueller investigation, let's understand that the sticks in U.S.-Russia relations have consisted mostly of NATO expansions and democracy promotion.

The carrots have been mainly economic, understood to include a welcomeness to capital flight that, if we take Russian law more seriously than the Russians do, amounts to an openness to money laundering.

Occasionally there have been flare-ups, as when $10 billion turned up at the Bank of New York after Russia's 1998 International Monetary Fund bailout. Murders of Putin opponents in London have had to be papered over not just in the interest of banks and real-estate sellers, but because allied governments agreed it was prudent to let Russian oligarchs use Western banks.

Mr. Trump's participation in this market is unimpressive in perspective. He bought a mansion in Florida out of bankruptcy for $41 million and sold it four years later to a Russian billionaire for $95 million. His son Don Jr. told an audience in 2008, "We see a lot of money pouring in from Russia," presumably related to the family's condo developments.

This, at a time when more than a fifth of all £10 million-plus properties in London were selling to Russians, when Russians were buying up sports teams, factories, even big chunks of Facebook and Twitter.

Mr. Trump failed in his dream to build Trump Tower in Moscow, probably because local investors were looking for ways to get money out of Russia, not for ways to reinvest it locally while paying extra to put the Trump name on a building.

What about his reliance on Deutsche Bank, whose rogue employee in Moscow (fingered by the bank itself) cost it $630 million last year in money-laundering fines? From one rogue operator in Moscow, it's a leap to suppose the bank's wealth-management office in New York made itself a vehicle for illicit Russian loans to the Trump Organization.

Don't his Russian dealings make President Trump susceptible to blackmail? This idea is grossly exaggerated. Think of the KGB files on JFK or Bill Clinton. The trouble the U.S. refrains from making for Vladimir Putin, by not revealing its own files on Russia, attests to a mutually assured destruction that greatly limits this weapon so beloved by conspiracy theorists.

It's also worth noticing how readily the financial carrot became a stick after the Crimea grab, despite the wailing of Western financiers and developers. Sanctions were imposed on top Russians where it hurt, limiting their access to Western banks. Of special note is a clampdown launched in early 2016 on big-ticket real-estate purchases made with cash, aimed specifically at Manhattan and Miami.

The big carrot in U.S. relations has been access to Western banks and real estate.

Eyebrows went up at the time. Weren't these markets near and dear to the Trump Organization? Yet the Trump administration has not only expanded the crackdown but extended it to deals financed by wire transfer.

One lesson is that money-laundering enforcement is inevitably political. For years the U.S. government ignored suspicious-activity reports from U.S. banks related to Mexican officials—until the Mexican government itself in the 1990s signaled it was ready to weather a crackdown.

Mr. Bannon, with his usual knee-deepness, therefore is onto something. Words can be found in statutes to criminalize practically anybody who participates in what the government later decides was a suspicious transaction.

Yes, it would be a grotesque case of selective prosecution to go after a president because he sold condos to rich Russians. Factor in a shrinking approval rate, a Democratic takeover of the House, a GOP no longer keen to defend its president. There was always something profoundly injudicious, in an age of lunatic partisan warfare, about somebody with Mr. Trump's baggage seeking the White House in the first place, however much Americans like to think even real-estate developers can grow up to be president.

Still, fruitful would be an honest reassessment of Russia policy since the Soviet collapse. Here's some news to everyone except the global oligarchs gathered this week in Davos to hear Mr. Trump: It long has been understood that a Western openness to Russian flight capital is a key safety valve of the Putin regime. It props up Russian stability. No local would invest in the local economy if there weren't a way to get his or her highly stealable winnings off the table. Not for nothing was the 2016 visit by a Russian lawyer to Trump Tower concerned with the U.S. Magnitsky Act, a loaded gun aimed at the Russian elite's enjoyment of Western financial services.

Even today U.S. policy toward Russia is leavened with a large element of hope-for-the-best because other options aren't obvious. There has been no effort to shut down Russian energy sales. Sanctions have been pinpricks aimed at getting the attention of Mr. Putin's billionaire friends. The truth is, whatever his past in Russia, Mr. Trump has little room to reinvent this wheel.

The Art of the Immigration Deal

POLITICS & IDEAS
By William A. Galston

With the brief government shutdown behind us, we can return to the substance of the debate, which goes to the heart of the Trump presidency.

Immigration did more than any other issue to mobilize the coalition that brought President Trump to power. It was the principal theme of his announcement remarks and the emotional heart of his campaign rallies. A "big, beautiful wall" along our border with Mexico was—and remains—his most memorable promise.

Along with 60% of Americans, I regard a major expansion of the wall as a wasteful and ineffective means to the widely agreed-upon end of border security. In a survey the Pew Research Center conducted last week, only four out of 21 groups gave majority support to a wall—white evangelical Protestants (65%), white Catholics (55%), whites with a high school diploma or less (57%), and Americans age 50-64 (50%). This is a good X-ray of the president's remaining base as his administration enters its second year.

In all, only 37% of Americans think adding a substantially expanded wall on the southern border is a good idea. But we have reached a point at which the sentiments of the majority are politically secondary. It is unimaginable that Mr. Trump will break faith with his supporters on this matter. Any deal, broad or narrow, will have to acknowledge this reality.

When it comes to the beneficiaries of President Obama's Deferred Action for Childhood Arrivals program, however, the public is not divided along partisan lines, or any others. Seventy-four percent of Americans endorse granting legal status to immigrants brought here illegally as children, with 21% opposed. The measure has majority support from every group in the electorate—including Mr. Trump's core supporters and Republicans as a whole.

The reasons are clear: Not only did Dreamers come to the U.S. through no fault or decision of their own, but this is the only country they really know. They are de facto Americans with clean legal records who want only to contribute to their country—this country. Many of them are already doing so in the private sector, nonprofit civil-society organizations, and the U.S. military. It would be self-defeating as well as immoral to expel them. The case for regularizing their status, and giving them a place in the queue leading to citizenship, is compelling.

At the same time, there is merit to the Republican argument that granting permanent status to DACA recipients without fixing the flawed system that helped create this situation would be self-defeating. Seventy-two percent of Republicans support the construction of a wall, while only 24% oppose it. There can be no resolution to the DACA controversy that does not include some portion of Mr. Trump's wall.

In principle, anyway, the way forward is clear. The immigration issue should be addressed in two stages. Phase One would be a focused bargain: regularize the status of DACA recipients while appropriating the funds needed to secure the border—with a wall where needed. As Marc Short, the White House director of legislative affairs, has acknowledged, this agreement should include not only the young people who already signed up for DACA but also those eligible for the program who missed the signing deadline, whether from fear, negligence or lack of information.

Phase One: DACA and the wall. Phase Two would involve more fundamental reform.

For their part, Democrats would be equally generous, agreeing to full funding for border security, not just a down payment.

Phase Two of an immigration solution would include a wider range of issues. Republicans are eager to end the diversity lottery program, enhance enforcement in the workplace, and reorient policy away from family reunification and toward a merit-based metric of individual contribution. For their part, Democrats want to regularize the status of immigrants who came to the U.S. illegally and to repair arbitrary and demeaning features of the current enforcement regime. Both parties have a stake in reforms that would expand opportunities for new immigrants to learn English and acquire a basic knowledge of American history and government.

No doubt other issues would arise during a broader Phase Two negotiation. For example, Sens. Tom Cotton and David Perdue would push for their proposed 50% cut in legal immigration. In my judgment, this policy makes little sense as we enter decades in which the growth of the U.S. labor force is expected to slow dramatically. Still, these and other lawmakers would have a fair opportunity to make their cases.

Despite the deep feelings on both sides, Mr. Trump's credibility with anti-immigration hard-liners creates an unprecedented opportunity to resolve this controversy, which has poisoned American politics for more than a decade. In this instance, the overused "Nixon goes to China" analogy makes sense. The president really has a chance to make America greater if he is willing to bite the bullet and make a deal. And the time to begin Phase One is now.

Get Food Stamps Out of the Candy Store

By Paul R. LePage

Augusta, Maine

Obesity is a problem in America, and it's a problem in Maine. In 1990, my state's obesity rate was 11%. Now it's 30%, putting us 26th in the nation. I'd like to be in the middle of the pack when it comes to the tax burden, but not to obesity.

That's why Maine has twice asked for a federal waiver to exclude purchases of candy and sugary beverages from our state's Supplemental Nutrition Assistance Program. The first request was denied by the Obama administration in 2016, the second by the Trump administration last week.

Eating right is hard enough for SNAP recipients given their tight budgets. Allowing food stamps to be spent on candy and soda is detrimental to recipients' health and antithetical to the program's purpose.

Like other states, Maine is experiencing an epidemic of obesity and related illnesses, such as Type 2 diabetes and heart disease. Numerous studies have shown the detrimental effects of consuming high levels of sugars. Federal dietary guidelines say that "beverages account for almost half (47%) of all added sugars consumed by the U.S. population."

Maine wants a waiver to stop SNAP paying for sweets and soda.

These alarming trends continue despite the federal dollars spent on nutrition education through the SNAP-Ed program. Maine would like to try a different approach.

Implementing this waiver would align Maine's SNAP with the allowable healthy foods under the federally funded school-lunch program and the Women, Infants and Children nutrition program. This would reinforce the message of eating healthy both in schools and at home.

Restrictions on SNAP purchases have long been part of the program. Food stamps can't be used to buy alcohol, vitamins, hot foods or anything to be eaten in the store. This waiver would simply expand the list to align SNAP with the program's stated goal of "providing food assistance to raise levels of nutrition among low-income individuals."

The federal government has raised concerns about implementing the restrictions on candy and sugary drinks. But Maine already taxes foods that have little or no nutritional value, which would make it easier for retailers to identify the SNAP-banned items.

Some critics argue that the government should not restrict food choices, calling it a "nanny state" intervention. I reject this. We are investing public tax dollars in a nutrition program to ensure families have enough to eat. Besides, WIC already restricts food choices. Why should SNAP be any different?

Maine worked with experts at both Harvard and the University of New England to develop our waiver request. Last year in the New England Journal of Medicine, two professors from Harvard and one from Duke suggested "a pilot study examining whether restricting purchases of sugary beverages with SNAP benefits improves diet quality."

More than 13% of Maine's population uses SNAP benefits. This waiver would not only improve our state's health, it would help the children in these families grow up learning to make better food choices. Maine wants to put the N—nutrition—back into SNAP. Why is the Trump administration standing in the way?

Mr. LePage, a Republican, is governor of Maine.

BOOKSHELF | By Marc M. Arkin

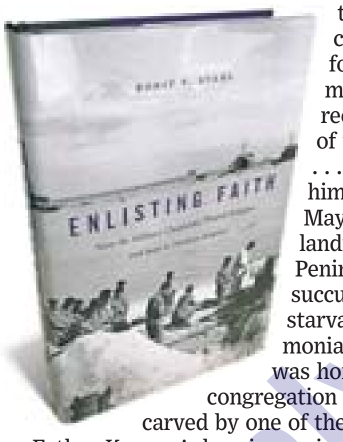
In the Foxhole, Leading Prayers

Enlisting Faith

By Ronit Y. Stahl
(Harvard, 348 pages, $39.95)

On July 17, 1950, early in the Korean War, Chaplain Emil Kapaun wrote to his Catholic superior: "Tomorrow we are going into combat." Two months later, he entered Pyongyang with the 8th Cavalry. On Nov. 1, after celebrating All Saints' Day mass, he helped dig a foxhole and, with the temperature hovering around 20 degrees, bivouacked in the hills above the northern town of Unsan with his battalion. They were awakened by a surprise attack from the Chinese, and Father Kapaun soon found himself a prisoner of war marching north.

On the long trek over frozen terrain, Father Kapaun carried the wounded, encouraged the faltering and buried the dead, including his fellow chaplain, a Protestant. When the group reached a POW camp, he surreptitiously foraged for food at night, relayed messages between officers and enlisted men, and led forbidden worship among the ranks. Relocated closer to the Chinese border, he continued to scavenge for food and offer hymns to raise men's spirits. As one survivor recalled: While "the majority of us had turned into animals, . . . the good priest conducted himself as a human being." On May 23, 1951, 10 months after landing on the Korean Peninsula, Father Kapaun succumbed to a combination of starvation, dysentery and pneumonia. Buried in a mass grave, he was honored by his prisoner-congregation with a wooden cross hand-carved by one of the captives, a Jew.



Father Kapaun's heroic service—he was posthumously awarded the Medal of Honor—exemplified the ideals of the military chaplaincy. Unarmed, he served as an officer on the front lines. He celebrated Catholic services for the men who shared his faith and provided comfort to soldiers of all religions, burying them according to their own rites when no one else was available. In this, he followed the U.S. military's code rather than the teachings of the Vatican, which then forbade such interfaith activity. His mission was a fine balancing of particularism and pluralism in the service of his country and his faith.

Although chaplains have accompanied American troops into battle since George Washington led the Continental Army, World War I transformed the military chaplaincy into a professional officer corps. The wartime draft had swept up men from divergent backgrounds, and the military turned to the chaplaincy to help bring readiness, cohesion and discipline to raw conscripts. In early 1917, Congress set uniform standards for the corps, requiring that chaplains be ordained ministers of "some religious denomination." Chaplains were to be trained clergy dedicated to religious inclusivity—hired, paid and supervised by the federal government.

In "Enlisting Faith," a history of the modern chaplaincy, Ronit Stahl—a fellow in ethics and policy at the University of Pennsylvania's medical school—contends that the military constructed a new civic religious ideal, a non-denominational "moral monotheism" that, in turn, reshaped the wider civilian culture. In World War I, this ideal of "religious comity" was epitomized by a Baptist chaplain who administered the Lord's Supper at a Catholic altar after preaching at a Jewish service. It continues, Ms. Stahl says, in the many "interfaith" services in which Christian chaplains assiduously avoid the mention of Jesus.

Chaplains have been a part of the American military from the beginning, but in modern times their role has changed dramatically.

This constructed tradition seemingly contained the seeds of its own collapse. Ms. Stahl follows the efforts of religious groups to use the chaplaincy to advance their own agendas. She argues, for instance, that the success of Jewish efforts to be included in the chaplaincy during World War I signaled Jewish integration into the American mainstream as the military was the first to adopt the "tri-faith" categorization of American religion into "Protestant, Catholic, and Jew." However bureaucratically useful, this classification was both over- and underinclusive: overinclusive because "Protestant" encompassed groups ranging from the Eastern Orthodox to the Mormons; underinclusive because it excluded other historic faiths, such as Buddhism.

During the Cold War, the taxonomy was challenged by increasing denominationalism, especially among evangelical Protestants. When liberal religious groups abandoned the chaplaincy during the Vietnam War, the vacuum was filled by evangelicals intent on proselytizing. In the ensuing decades, the increased diversity of the all-volunteer military undermined what remained of the tripartite classification. In 2017, as the book ends, a pragmatic military was accommodating some 221 faith groups.

The story proceeds at a granular level—thus the reader learns that a wartime chaplains manual might be delayed when the best typist in the Army Chief of Chaplains office quits because of a long commute. It reaches deeply into archival materials, including correspondence and diaries, as it details the evolution of a bureaucracy afflicted with a bewildering array of acronyms. Importantly, it uses these materials to give sympathetic voice to the often moving stories of individuals, such as Father Kapaun, who exemplify the best in human nature. Given the focus on ground-level activity, however, readers hoping for an in-depth discussion of the broader historical tradition of American civil religion—or for an analysis of the vexing constitutional issues that arise when the government, through the military, provides religious programs—will find themselves disappointed.

Moreover, the narrative is taxed by a reflexive liberalism that sits uneasily with its often appreciative treatment of the military. The Vietnam War is unquestionably "immoral." The Cold War chaplaincy embraced the "centrality of religion to the warfare state" and became a cog in the "military-spiritual complex." Disturbingly, a number of mistaken word choices stud the book: "urbane" for "urban," "earned the aplomb" for "earned the approval," "quivered" for "equivocated." Still, "Enlisting Faith" deserves to be read by anyone interested in an underexplored aspect of the intersection of religion and the state or, even more, in the stories of those who honorably served them both.

Ms. Arkin is a professor at Fordham University School of Law.

OPINION

REVIEW & OUTLOOK

Trump Starts His Trade War

His new tariffs punish many for the sake of three companies.

Can Donald Trump stand prosperity? Fresh from a government shutdown victory and with the U.S. economy on a roll, the President decided on Tuesday to kick off his long-promised war on imports—and American consumers. This isn't likely to go the way Mr. Trump imagines.

"Our action today helps to create jobs in America for Americans," Mr. Trump declared as he imposed tariffs on solar cells and washing machines. "You're going to have a lot of plants built in the United States that were thinking of coming, but they would never have come unless we did this."

The scary part is he really seems to believe this. And toward that end he imposed a new 30% tariff on crystalline silicon photovoltaic cells and solar modules to benefit two bankrupt companies, and a new 20%-50% tariff on washing machines to benefit Whirlpool Corp. The tariffs will hurt many more companies and people, and that's before other countries retaliate.

The solar tariff is a response to a petition filed at the International Trade Commission by two U.S.-based manufacturers—Chinese-owned Suniva, which filed for bankruptcy last year, and German-owned SolarWorld Americas, whose parent company filed for bankruptcy last year. Under Section 201 of U.S. trade law, the companies don't need to show evidence of dumping or foreign subsidies. They merely have to show they were hurt by imports, which is to say by competition.

The two companies once employed some 3,200 Americans. But the wider solar industry, which depends on price-competitive cells as a basic component, supports some 260,000 U.S. jobs. Costs will rise immediately for this value-added part of the industry, which the Solar Energy Industries Association (SEIA) says includes the manufacture of "metal racking, high tech inverters, machines that improve solar output by tracking the sun and other electrical products."

The Journal reported Tuesday that the Trump tariff may spur an unnamed panel manufacturer to invest in a new plant in Florida that will create 800 new jobs. But SEIA says it expects that the tariff will cost 23,000 U.S. jobs this year alone. It will also mean that billions of dollars of solar investments are likely to be postponed or canceled. Utility companies facing green-energy mandates from state governments will also suffer as it gets more costly to deliver solar-produced electricity.

Mr. Trump will also make doing the laundry great again, or at least more expensive, with a new 20% tariff on the first 1.2 million imported washing machines every year. Above that the tariff will go to 50%. Don't even think about assembling a washer with foreign parts, which get whacked with a 50% tariff above 50,000 imported units in the first year.

Goldman Sachs analyst Samuel Eisner wrote Tuesday that consumers can expect price increases for new machines of 8%-20% depending on how much of the tariff the manufacturers decide to eat. Producers and workers are also losers. LG Electronics USA noted Tuesday that its new plant to make washers in Clarksville, Tenn., will be "the most advanced factory in the world" but warned that the tariff "hinders the ramp-up of the new plant and threatens many new U.S. jobs."

Manufacturers will also lose flexibility in sourcing parts, which is critical to competitiveness. In South Carolina, where Samsung has a new $380 million appliance plant, the Trump tariffs aren't welcome. Republican Gov. Henry McMaster is worried they'll hurt the investment climate and invite retaliation.

Mr. Trump conducts trade policy as if U.S. trading partners have no recourse. With exports of $30.9 billion in 2016 and among the country's highest level of exports per capita, South Carolina knows better. By justifying tariffs solely on the failure to compete, Mr. Trump is inviting other countries to do the same for their struggling companies. Their case at the World Trade Organization will also be a layup, allowing legal retaliation against U.S. exports.

By the way, if Mr. Trump thinks these new border taxes will hurt China, he's mistaken again. China ran a distant fourth as a producer of solar cell and modules for the U.S. in 2017, after Malaysia, South Korea and Vietnam. Korea and Mexico are the two largest exporters of washing machines to the U.S. Mr. Trump's tariffs are an economic blunderbuss that will hit America's friends abroad and Mr. Trump's forgotten men and women at home.

DACA and Deportation

The human face of the immigration debate.

Republicans won the government shutdown showdown because Democrats overplayed their hand. Led by their resistance wing, Democrats tried to use the Deferred Action for Childhood Arrivals (DACA) program to demonize their opponents. They failed to recognize that while Americans don't wish to deport the 800,000 or so Dreamers brought here as children, they don't want the government shut down over it.

But Republicans who believe they can profit from politicizing DACA are also kidding themselves, as two recent stories that went national show. On Martin Luther King Day in Detroit, U.S. immigration agents deported Jorge Garcia to Mexico. Mr. Garcia was brought to the U.S. as a 10-year-old, is married to a U.S. citizen and has two American children. Footage of the 39-year-old being separated from his crying family was wrenching. When or whether he will be able to return to the U.S., where he has spent his adult life, is unknown.

Then there's Emmanuel Mensah, an immigrant from Ghana, one of those countries President Trump recently referred to with an expletive. Mensah had recently finished training for the Army National Guard and was waiting to begin drilling with the 107th Military Police Company at Brooklyn's Fort Hamilton. He was home in the Bronx for the holidays when a fire broke out in his apartment building. Private Mensah entered the burning building several times to rescue those trapped inside and was killed in the effort. He was awarded the Soldier's Medal, which the Army bestows for heroism outside conflict with an enemy.

These are the human faces of our polarized immigration debate. If Republicans don't want to spend the next three years defending deportations of people like Mr. Garcia, or being reminded about Mr. Trump's expletive, they should work with Democrats on a DACA compromise. Americans want to know that the U.S. isn't admitting criminals or terrorists, but they're also offended by breaking up families or demonizing immigrants who make America great.

The FBI's Missing Emails

More reasons to question the bureau's 2016 election actions.

The Justice Department has dropped a second tranche of text exchanges between FBI agents Peter Strzok and Lisa Page—conveniently delivering them to the Senate at the start of last Friday night's government shutdown. Investigators are still plowing through the 384 pages, but preliminary findings raise new questions about FBI political maneuvering during the 2016 election.

Among the biggest news is what wasn't in the Friday delivery: The FBI claims to have "failed" to capture text messages between Mr. Strzok and Ms. Page between December 14, 2016 and May 17, 2017. This period coincides with the height of the FBI's investigation into possible Trump-Russia collusion, on which Mr. Strzok was a lead investigator. The FBI is blaming this five-month missing link on "misconfiguration issues related to rollouts, provisioning, and software upgrades."

These are the folks trusted to sort out Hillary Clinton's missing emails. Senate Committee on Homeland Security and Governmental Affairs Chairman Ron Johnson on Saturday wrote to FBI director Christopher Wray asking how many other FBI records were lost. Imagine how Mr. Wray's agents would treat a private individual's failure to turn over comparable records.

Mr. Johnson's letter also revealed more reason to believe the FBI's probe into Mrs. Clinton's email server may have included political calculations. Congress already knows through internal memos that the FBI watered down the language in Mr. Comey's July 2016 Clinton exoneration statement—from the legally culpable "grossly negligent" to "extremely careless."

But the latest texts show the FBI also eliminated evidence that Mrs. Clinton compromised high-level communications. A June 30, 2016 draft of Mr. Comey's statement noted that Mrs. Clinton had engaged in "an email exchange with [President Obama]" via her private server while on the "territory of sophisticated adversaries." That same afternoon, Mr. Strzok texts Ms. Page to tell her that, in fact, senior officials had decided to water down the reference to President Obama to "another senior government official." By the time Mr. Comey gave his public statement on July 5, both references—to Mr. Obama and to "another senior government official"—had disappeared.

And while Mr. Comey made much in his statement about how he had "not coordinated or reviewed [his] statement in any way with the Department of Justice or any other part of the government," the Strzok-Page texts indicate otherwise. On July 1, 2016, former Attorney General Loretta Lynch announced she would remove herself from any decision to prosecute Mr. Clinton and accept the FBI's judgment. In a text that day, Mr. Strzok complains about her statement and notes that Mrs. Lynch is hardly "a real profile in couragw (sic), since she knows no charges will be brought." This is the day before the FBI interviewed Mrs. Clinton.

All of this should be troubling to Americans who admire the FBI and want it to be above politics. The vanishing texts and partisan texting are more reasons for Congress to share all it knows about the FBI and the 2016 campaign with the public.

LETTERS TO THE EDITOR

Trump and World Democracy After One Year

William Galston has it backward ("Trump and the Decline of Democracy," Politics & Ideas, Jan. 17). President Trump is a greater supporter of freedom than his predecessor was, hands down. President Obama sent troops home to leave a post-surge Iraq to crumble, embraced Cuba, turned his back on Israel and looked the other way on Venezuela, Ukraine and North Korea. This doesn't even include the abominable Iran deal. President Trump is moving us back into more supportive roles. The ISIS caliphate in Iraq and Syria is all but gone. We are finally making arms available to Ukraine. He is at least acknowledging the horrors the Venezuelans and Iranians are enduring, as well as his unhappiness with Cuba. He is much more supportive of Israel. And Kim Jong Un understands better that the U.S. isn't to be trifled with. Blaming Donald Trump for Turkey's long slide since Ataturk-like secular government disappeared and for the Arab Spring, which President Obama and Hillary Clinton completely misread, is just wrong.

A great preponderance of the backward world-wide slide in freedom took place during the Obama administration, which thought if we were nice to everyone (including the bad guys) they'd like us and see the error in their ways.

Patrick G. Brown
Orlando, Fla.

Could it be that the cited poor Quinnipiac poll results are nothing more than the consequences of the relentless 90%-plus negative news media coverage of the current administration since the electoral shock of 2016?

Philip Melita
Charlottesville, Va.

How in one year does this president get credit for reducing American and world democracy? Could it possibly be the result of the prior eight years when: The IRS stomped on conservative organizations with no consequences, the FBI leadership, by all accounts, became political and forgot that Congress has oversight responsibility, political correctness became the byword over freedom of speech, leading from behind helped ISIS take over much of the Middle East? In addition, Russia and China extended their influence in the world, the president's pen changed laws without the need for the legislature, government bureaucrats got to interpret laws any way they wanted, often universities became "safe places" for progressive thinking and the mainstream media forgot its role is to question government—until Nov. 8, 2016. It may not be pretty, but I see freedom finding its way back under this president.

Ed Jenkins
West Harwich, Mass.

Mr. Galston doesn't mention President Obama's negative impact on our democracy. In 2008 the U.S. ranked fifth on the Index for Economic Freedom. After eight years of increasing government control through the most excessive regulation in the country's history, the U.S. ranked 17.

Dave Kowal
Northborough, Mass.

We can get rid of an undesirable president every four years because of our democracy. A politically infiltrated "deep state" is a far bigger threat than Mr. Trump.

Capt. Joe Hodge, USN (Ret.)
Pensacola, Fla.

I suppose if Mr. Obama can get a Nobel Peace Prize after less than one year in office after accomplishing nothing, then the same thinking can suggest that Mr. Trump, after one year in office, could be responsible for the demise of world democracy. Who knew he was so influential?

Ari Weitzner
New York

I suggest Mr. Galston go see "Darkest Hour" for an example of what leadership is and take careful note of what Winston Churchill's detractors were saying about him as he took office: delusional, dangerous, etc. Like Churchill, President Trump has vision and the courage of his convictions.

Vincent McCord
Santa Monica, Calif.

I love the numbers from the Quinnipiac poll that Mr. Galston cites—the same poller which had Hillary Clinton winning Pennsylvania by five points in 2016.

For the first time in a long time the American agenda has been put at the forefront, while the globalist agenda has been squashed.

Todd M. Hampton
Long Beach, Calif.

BBG Is Doing Its Job, Aiding Iranian Protests

Regarding your editorial "Iran's Internet Imperative" (Jan. 18): As board chairman of the Broadcasting Board of Governors (BBG), I can proudly say that the agency is a recognized global pioneer in creating secure platforms for those suffering under repressive regimes around the world. The Open Technology Fund, a competitive internet freedom tech-centric, private-sector program managed by Radio Free Asia (one of the networks overseen by the BBG), has nurtured the development of research and field-driven interventions that sustain secure anticensorship and communication technologies advancing hundreds of millions of citizens' access to free expression without fear of repressive surveillance.

CEO John Lansing has dramatically grown our digital efforts and broadened the number of tools and vendors available to increase and improve BBG's anticensorship efforts. Mr. Lansing was not "appointed by President Obama," but selected by a bipartisan board comprised of policy experts.

These investments have enabled us to support innovative circumvention and encryption tools, including tools provided by Ultrasurf, which the BBG has funded for over 10 years. Through localization efforts, more than 60 of these tools are available in over 200 languages and dialects to millions of people in repressive societies, including China and Russia. Although you acknowledge that "Iranians are flocking by the millions to use circumvention software like Psiphon and Lantern," you fail to reveal that Psiphon and Lantern were available in part because they have received BBG support.

Millions of Iranians also relied on Voice of America and Radio Free Europe/Radio Liberty's Persian web, mobile, TV and radio platforms.

In this fiscally restrained environment we continue to grow our world-wide audience (close to 300 million people on a weekly basis) and develop critical programming.

Kenneth R. Weinstein
Chairman
Broadcasting Board of Governors
Washington

The Army Is Mistaken; We Put Customers First

At Hangzhou Hikvision Digital Technology Co., we work hard to maintain our reputation as a well-respected technology enterprise that adheres to high security and ethical business standards. We are committed to upholding safety and protecting property, combating crime and countering terrorism; and we are helping customers operate their businesses more efficiently with our products and services.

Indeed, "Army Rips Out Chinese Cameras at Missouri Base" (U.S. News, Jan. 13) contains a statement from U.S. Army Col. Christopher Beck: "We never believed [the cameras] were a security risk."

Hikvision is committed to engaging its clients on questions or concerns about our technology, addressing any issues as quickly as possible. When a software vulnerability was identified by third-party researchers, we developed and issued a firmware patch in six days. The Department of Homeland Security confirmed that the updated firmware we released resolved the issue.

We pride ourselves on working closely with our business partners and regulators in the more than 155 countries and regions we serve to ensure our products and services meet regulatory and security standards.

Hao (Vivian) Zhou
Hangzhou, China

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Pepper ... And Salt

THE WALL STREET JOURNAL

"Come on, Ginger, it's not the end of the world – there'll be other carpets to ruin."

Pence Visits Israel's Capital

By Meir Soloveichik

Jerusalem

As I walked out of the Knesset following Vice President Mike Pence's Monday afternoon address, an Israeli cameraman turned to me with a jovial expression. Speaking in Hebrew, he asked me about the man whose speech he had just heard: "Was that the messiah, or the vice president of the United States?" He was, perhaps, referring to the rapturous reception Mr. Pence had received from the Knesset members and the hundreds of spectators in the gallery. Yet the cameraman was also probably struck by how religious, and biblically based, the speech was. Mr. Pence threaded his remarks with references to Scripture, a rhetorical technique Knesset audiences have rarely heard from a political leader since Menachem Begin resigned as prime minister in 1983.

Multitudes of gentiles are also Zionists. That has no precedent in the Jews' millennia-long history.

Mr. Pence's address was one of the most Zionist speeches ever given by a non-Jew in the Knesset. The vice president is a devout evangelical Christian, and he said that in the birth of the modern state of Israel, we see nothing less than a fulfillment of the biblical promises of God. The speech was a milestone in American-Israeli relations, and a window into the heart of many American Christians who, like Mr. Pence, observe Israel's emergence with wonder and reverence.

Drawing on the Book of Deuteronomy, Mr. Pence described how through "conquests and expulsions, inquisitions and pogroms," and a Holocaust "that transformed the small faces of children into smoke under a silent sky," the Jewish people nevertheless "held fast to a promise through all the ages, written so long ago, that 'even if you have been banished to the most distant land under the heavens,' from there He would gather and bring you back to the land which your fathers possessed."

Citing Isaiah, Mr. Pence suggested that in Israel's 1948 founding "the Jewish people answered that ancient question: Can a country be born in a day, can a nation be born in a moment?" For Mr. Pence, the birth of modern Israel also reaffirmed the Jews' covenantal bond to both the Holy Land and Jerusalem, where "Abraham offered his son Isaac, and was credited with righteousness for his faith in God," and where "King David consecrated the capital of the Kingdom of Israel." In the emergence of the modern Jewish state, Mr. Pence concluded, we see the hand of God:

EMIL SALMAN-JINIPIX/XINHUA VIA ZUMA WIRE

The vice president at the Knesset Monday.

"The miracle of Israel is an inspiration to the world."

These are powerful words, and many Jews in attendance felt the vice president's description of the Jewish state as a miracle comported with their own view. Yet it is worth noting one wondrous occurrence Mr. Pence didn't mention. For many centuries the Jewish people received little love and much hate from the nations of the world. Today tens of millions of non-Jewish Americans share Mr. Pence's sincere affection for Israel.

As the vice president noted, certain predictions in Hebrew scripture about the Holy Land have actually come true in the past 70 years: The Jews have returned, their state has been re-formed, and the desert is blooming. Yet Isaiah also predicts that one day multitudes of non-Jews will be moved by devotion to the God who dwells in Jerusalem to shower love upon the people whose capital it has always been. Anti-Semitism is still rampant, of course, and Israel remains surrounded by states seeking its destruction. But the existence of multitudes of gentiles who are also Zionists has no precedent in the Jews' millennia-long history.

Mr. Pence received a sustained and resounding standing ovation when he spoke in Hebrew. Many visiting statesmen have tried out a Hebrew phrase or two in the Knesset, but the vice president went further than previous American leaders. Noting that April marks the 70th anniversary of Israel's founding, Mr. Pence reflected on this historic milestone: "I say, along with the good people of Israel, here and around the world: *shehecheyanu, v'kiyimanu, v'higiyanu la'z'man ha'zeh.*"

Strikingly, Mr. Pence didn't translate or explain. The American reporters travelling with the vice president may not have understood what he'd said. But most Jews in attendance recognized his words as an expression of gratitude to God, "who has kept us alive, and sustained us, and allowed us to reach this day." The blessing has been recited by Jews for thousands of years. We speak it when we receive joyous tidings and when we commemorate historical miracles. Many in the audience felt like saying the blessing themselves, not only for the miracle that is Israel, but also for the blessing that is the millions of Americans who, like Mike Pence, love the Jewish state.

It's a blessing that many Israelis, and many Jews around the world, will not soon forget.

Rabbi Soloveichik is minister of Congregation Shearith Israel in New York and director of the Straus Center for Torah and Western Thought of Yeshiva University.

A Rogue Treasury Department Turns Toward the 1930s

By Peter J. Wallison

First, the good news: A group of senators are working on a bill to repeal the government charters of Fannie Mae and Freddie Mac, according to a report last week in the trade publication American Banker. This would set the U.S. on a course toward a private system for financing mortgages. Now, the bad news: The Treasury Department wants to return to the regulated market that caused the financial crisis.

At first this might seem implausible. The aggressive deregulatory work of the Trump administration has stimulated the U.S. economy, but its Treasury Department is pushing for more extensive regulation of the housing-finance market. Among conservatives, there's an emerging view that the Treasury Department is on a frolic all its own.

Last week, the director of the Federal Housing Finance Agency, which regulates Fannie and Freddie, released a plan for housing-finance reform. The director is an Obama administration holdover, and it shows. His plan's principal element is heightened government regulation, with all the elements that caused the 2008 financial crisis.

According to the plan, circulated in Washington but not formally released by the FHFA, Fannie and Freddie would be turned into privately owned utilities, with regulated rates that would assure a "fair return" to their shareholders. They would issue mortgage-backed securities covered by an explicit government guarantee. This would "attract and retain shareholders while also supporting broad liquidity in the single family and multifamily housing finance market with affordable mortgage rates." The whole scenario comes straight out of the left's fantasy world.

The FHFA also expressed concern that too much competition "could increase the potential for a race to the bottom in underwriting standards in pursuit of market share." Its solution is again regulating the rate of return of the Fannie and Freddie successors, "which would limit incentives to unduly relax underwriting standards." Ideas like this hark back to the New Deal. The Roosevelt administration sought to prevent supposedly excessive competition on the theory that it would drive down prices, force companies out of business, and produce more unemployment.

Addressing another major Democratic priority, the FHFA's plan called for government-backed affordable housing. The utility-like successors to Fannie and Freddie could have "a lower rate of return on purchases serving low-income and moderate-income borrowers." This would ensure that "all taxpayers can share in the benefits of federal support for the housing finance market." Remember that what taxpayers actually "shared" in 2008 was Fannie and Freddie's *losses* of about $186 billion.

The president shouldn't allow an Obama appointee to guide housing finance policy toward disaster.

What caused those losses? Affordable-housing goals. A 1992 law required Fannie and Freddie to reduce their underwriting standards so they could meet quotas for low- and moderate-income mortgages. By 2008, on the eve of the financial crisis, half of all mortgages in the U.S. were subprime or otherwise risky. And 76% of those mortgages were on the books of government agencies, primarily Fannie and Freddie. The government had created the demand for these mortgages.

Treasury apparently has no problem with this. Last week Craig Phillips, counselor to Secretary Steven Mnuchin, said the department was "broadly supportive" of the FHFA's plan. This is disturbing enough, but Treasury is also endorsing some of the details that are far afield of the administration's deregulatory efforts. For example, last week American Banker quoted Mr. Phillips agreeing that the FHFA should use rate regulation to prevent a competitive race to the bottom: "The key is regulation. Whether there is one or five [guarantors], we cannot have weak regulation." FDR must be smiling.

The trouble here is not merely that the Treasury is an outlier in what was supposed to be a deregulatory administration. It is also that the department's current custodians appear to have learned nothing from the financial crisis, which was caused by precisely the policies they now support.

Before the affordable-housing goals were enacted in 1992, Fannie and Freddie would buy only prime mortgages. Although they competed with each other, there was no race to the bottom. They began to reduce their underwriting standards, with tragic effect, after the affordable-housing goals came into force. The result was the largest housing bubble in American history, followed by a monumental crash in 2008. Another consequence, courtesy of Barney Frank, was the Dodd-Frank Act, which was based on the false idea that the crisis was caused by insufficient regulation of the financial system. President Trump has accurately called the act a "disaster." It overregulated the rest of the financial system but left the insolvent Fannie and Freddie untouched, in the care of the FHFA as conservator.

Housing finance desperately needs reform, but Treasury is moving in the wrong direction—back to the 1930s. The headline on the American Banker story was "Treasury, FHFA see eye to eye on housing reform, top official says." Who would have believed it a year ago?

Mr. Wallison is a senior fellow at the American Enterprise Institute. His most recent book is "Hidden In Plain Sight: What Caused the World's Worst Financial Crisis and Why It Could Happen Again" (Encounter, 2015).

The CFPB Has Pushed Its Last Envelope

By Mick Mulvaney

When I arrived at the Consumer Financial Protection Bureau in November, I told employees that despite what they might have heard, I had no intention of shutting down the bureau. As members of the executive branch, we are charged with faithfully executing the law. The law mandates that we enforce consumer-protection laws, and we will continue to do so under my watch.

At the same time, I explained that things would be different under new leadership. Then I read a quote from my predecessor, Richard Cordray, that highlighted how he ran the bureau: "We wanted to send a message: There's a new cop on the beat. . . . Pushing the envelope is a loaded phrase, but that's absolutely what we did." I've seen similar language elsewhere. It's fair to say that the bureau's previous governing philosophy was to "push the envelope" aggressively, under the assumption that we were the good guys and the financial-service industry was the bad guys.

That is going to be different. That entire governing philosophy of pushing the envelope frightens me a little. We are government employees, and we work for the people. That means everyone: those who use credit cards and those who provide the credit; those who take out loans and those who make them; those who buy cars and those who sell them. All of those people are part of what makes this country great, and all of them deserve to be treated fairly by their government. There is a reason Lady Justice wears a blindfold and carries a balance scale along with her sword.

It is not appropriate for any government entity to "push the envelope" when it comes into conflict with our citizens. We have the power to do damage to people that could linger for years and cost them their jobs, their savings and their homes. If the CFPB loses a court case because we "pushed too hard," we simply move on to the next matter. But where do those we charged go to get their time, their money and their good names back? If a company closes its doors under the weight of a multiyear Civil Investigative Demand, we still have jobs at CFPB. But what about the workers who are laid off as a result?

There will absolutely be times when circumstances require us to take dramatic action to protect consumers. At those times, I expect us to be vigorous in our enforcement of the law. But bringing the full weight of the federal government down on the necks of the people we serve should be something that we do only reluctantly, and only when all other attempts at resolution have failed.

In my office you can find a copy of "A Man for All Seasons," about the life of St. Thomas More. My favorite passage is an exchange between the famous lawyer and his son-in-law, who encouraged More to arrest a man for simply being "bad." His response is one of the most concise and articulate defenses of the rule of law in history:

"This country is planted thick with laws, from coast to coast—man's laws, not God's—and if you cut them down . . . do you really think you could stand upright in the winds that would blow then? Yes, I'd give the Devil the benefit of the law, for my own safety's sake."

We will exercise our power with humility and prudence to enforce the law faithfully.

Put another way: If you push the envelope now in pursuit of your mission, what's to stop someone else—with a different mission, perhaps—from pushing that envelope against you tomorrow?

What does all of this mean for how we will operate at the bureau? Simply put, we will review everything we do, from investigations to lawsuits and everything in between.

When it comes to enforcement, we will focus on quantifiable and unavoidable harm to the consumer. If we find that it exists, you can count on us to pursue the appropriate remedies vigorously. If it doesn't, we won't go looking for excuses to bring lawsuits.

On regulation, it seems that the people we regulate should have the right to know what the rules are before being charged with breaking them. This means more formal rule making and less regulation by enforcement.

And we will be prioritizing. In 2016, almost a third of the complaints into this office related to debt collection. Only 0.9% related to prepaid cards and 2% to payday lending. Data like that should, and will, guide our actions.

Speaking of data, the Dodd-Frank Act, which established the CFPB, requires us to "consider the potential costs and benefits to consumers and covered persons." To me, that means quantitative analysis should drive our decisions. And while qualitative analysis certainly can play a role, it should not be to the exclusion of measurable "costs and benefits." There will be a lot more math in our future.

I intend to exercise our statutory authority to enforce the laws of this nation. I intend to execute the statutory mandate of the bureau to protect consumers. But we will no longer go beyond that mandate. If Congress wants us to do more than it set forth in the Dodd-Frank Act, it can change the law.

The CFPB has a new mission: We will exercise, with humility and prudence, the almost unparalleled power Congress has bestowed on us to enforce the law faithfully in furtherance of our mandate. But we go no further. The days of aggressively "pushing the envelope" are over.

Mr. Mulvaney is director of the Office of Management and Budget and acting director of the Consumer Financial Protection Bureau. This article is adapted from a Jan. 24 memo to CFPB staff.

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Notable & Quotable: Stormy

From Jason L. Riley's Upward Mobility column, WSJ.com, Jan. 23:

The government shut down, and most Americans yawned. Reports that Donald Trump has a history of romancing adult film actresses, and then paying them to keep quiet, were greeted with some tittering and then more of the same indifference. . . .

The ho-hum public response to the allegations could reflect scandal fatigue or, sadly, the widespread belief that Donald Trump covering up affairs with porn stars is neither out of character nor any big deal.

But it also could mean that what the president has accomplished in his first year matters more. Jobless claims last week were the lowest on record in 45 years. Target and Wal-Mart are increasing pay and handing out bonuses. Apple, which has deferred paying taxes on foreign earning for years, has announced that it is bringing billions in cash back to the U.S. to invest. Visa and Aflac are increasing their 401(k) match for employees. Mr. Trump not only promised tax reform and delivered tax reform but every early indication is that the tax reform is doing what he said it would do.

Heaven knows what outrages the Trump presidency will bring our way in 2018—and maybe voters will wait until the midterm elections to vent—but right now Americans seem more focused on what he's achieved.

AT&T

Consumers Need an Internet Bill of Rights

Government rules for the internet have been debated for nearly as long as the internet has existed, even before a professor coined the term "net neutrality" 15 years ago.

The internet has changed our lives and grown beyond what anyone could have imagined. And it's done so, for the most part, with very few—but often changing—rules. Regulators under four different presidents have taken four different approaches. Courts have overturned regulatory decisions. Regulators have reversed their predecessors. And because the internet is so critical to everyone, it's understandably confusing and a bit concerning when you hear the rules have recently changed, yet again.

It is time for Congress to end the debate once and for all, by writing new laws that govern the internet and protect consumers.

Until they do, I want to make clear what you can expect from AT&T.

AT&T is committed to an open internet. We don't block websites. We don't censor online content. And we don't throttle, discriminate, or degrade network performance based on content. Period.

We have publicly committed to these principles for over 10 years. And we will continue to abide by them in providing our customers the open internet experience they have come to expect.

But the commitment of one company is not enough. Congressional action is needed to establish an "Internet Bill of Rights" that applies to all internet companies and guarantees neutrality, transparency, openness, non-discrimination and privacy protection for all internet users.

Legislation would not only ensure consumers' rights are protected, but it would provide consistent rules of the road for all internet companies across all websites, content, devices and applications. In the very near future, technological advances like self-driving cars, remote surgery and augmented reality will demand even greater performance from the internet. Without predictable rules for how the internet works, it will be difficult to meet the demands of these new technology advances.

That's why we intend to work with Congress, other internet companies and consumer groups in the coming months to push for an "Internet Bill of Rights" that permanently protects the open internet for all users and encourages continued investment for the next generation of internet innovation.

Randall Stephenson

Randall Stephenson
AT&T Chairman and CEO

TECHNOLOGY: VERIZON MAKES PLANS FOR ITS $4 BILLION TAX BREAK B4

BUSINESS & FINANCE

S&P 2839.13 ▲ 0.22% S&P FIN ▲ 0.04% S&P IT ▲ 0.64% DJ TRANS ▼ 0.11% WSJ $IDX ▼ 0.25% LIBOR 3M 1.745 NIKKEI (Midday) 23989.08 ▼ 0.56% See more at WSJMarkets.com

JPMorgan to Spread Out Windfall

Bank plans to invest $20 billion from tax law, seeks to expand growth across its businesses

By Emily Glazer

JPMorgan Chase & Co. is unrolling a $20 billion, five-year investment across its businesses based on benefits from recent tax-law changes, a softer regulatory environment and its overall growth.

The largest U.S. bank by assets plans to open as many as 400 branches in new markets across the U.S., expand its home lending to lower-income consumers and boost wages for some retail-banking employees, among other changes, Chief Executive James Dimon said in an interview.

JPMorgan is one of many large companies passing on to its employees or clients some of the windfall of billions of dollars in expected additional profit from the tax-code overhaul enacted late last year. The bank's effective tax rate will be about 19% this year and 20% over the near term, down from 35% previously, finance chief Marianne Lake said during an earnings call earlier in January.

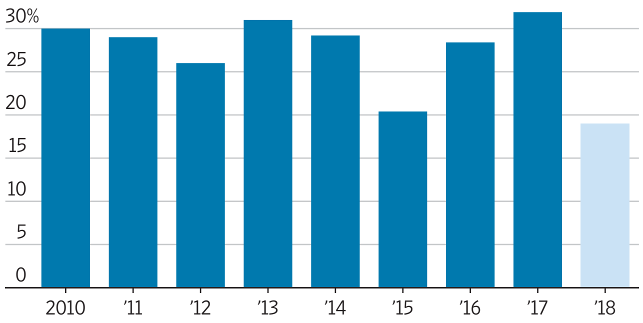
Mr. Dimon said during the same call that the bank could have roughly $3.6 billion in additional net income in 2018 as a result of the tax overhaul.

JPMorgan took a one-time, $2.4 billion charge in the fourth quarter due to the tax changes. Ms. Lake and Mr. Dimon spoke at length about future benefits and hinted at some changes the bank was planning.

"In anticipation [of the tax overhaul], we asked our people: 'What can we do? What different things can we do to help? What can we do to accelerate our growth?' " Mr. Dimon said of the planned new investments. "This is good for the business, good for employees, [good for] wages, skills, jobs."

Big Bucks

Annual effective tax rate for JPMorgan



Note: Rate for 2018 is based on bank's estimate
Source: the company
THE WALL STREET JOURNAL.

JPMorgan's move to open hundreds of branches in new cities is at odds with some of its competitors, which have been closing locations in recent years. The bank has also been slimming down the number of branches in certain areas while boosting its digital and mobile banking options.

JPMorgan currently has about 5,130 branches in 23 states. Over the next five years, it plans to expand to 15 to 20 new markets and add 3,000 people, said Gordon Smith, head of consumer and community banking. That could include Washington, D.C., Boston and Philadelphia, among other cities.

A quarter of JPMorgan's branches are in lower-income communities. Mr. Smith said

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No Victory Celebrations These Days at Gatorade

JAYNE KAMIN-ONCEA/REUTERS

ALL WET: The Los Angeles Dodgers savor a walk-off win with traditional Gatorade shower. The PepsiCo beverage has been losing ground as consumers drink record amounts of bottled water and spend more on enhanced waters, teas and energy drinks. U.S. sales slipped 0.5% to $5.9 billion in 2017, the first drop since 2012. B3

The Man Behind A Bitcoin Uproar

By Paul Vigna And Jim Oberman

The drop was swift. Prices for bitcoin and dozens of other digital currencies on Jan. 8 fell sharply, lopping more than $100 billion off their collective market value.

The globe-rattling move can be traced to one address: an apartment in a new residential building across the street from a local union headquarters in a gentrifying section of Long Island City, Queens.

It is the workplace of Brandon Chez, the 31-year-old computer programmer behind coinmarketcap.com, a website that is a top source for data on bitcoin and hundreds of other cryptocurrencies. Mr. Chez's site, which went live in 2013, has become one of the most heavily trafficked websites in the world.

Competition is heating up. On Thursday, **Intercontinental Exchange** Inc., the owner of the New York Stock Exchange, announced a partnership to launch a bitcoin data feed for Wall Street banks and traders. Independent sites including Onchainfx.com have also popped up.

$100B

Collective loss in market value of cryptocurrencies after change

Meanwhile, Mr. Chez's site is wielding unexpected impact. On Jan. 7, coinmarketcap.com decided to remove trading activity from South Korean exchanges from its price-quote algorithms. The reason: Prices there were significantly and persistently higher than in other countries. To some, it seemed the Korean trades were artificially inflating the price of bitcoin.

Without the South Korean bids and offers embedded in the CoinMarketCap listings, prices on the site fell precipitously. The price of the cryptocurrency XRP, for example, went from about $3.40 to $2.60 in one sharp move, a 24% drop.

Yet little is known about how the site operates. Because Mr. Chez initially didn't communicate the change, few, if any, outside the site knew why it was happening. Traders tried to help each other on message boards like Reddit and social media. Many were angry.

"This decision is really head

Please see COIN page B7

Weinstein Co. Enters Exclusive Sales Talks

By Ben Fritz

Weinstein Co.'s owners have entered exclusive negotiations to sell the embattled studio to a group led by businesswoman Maria Contreras-Sweet for a little more than $500 million, people close to the talks said.

The owners of the studio behind "The King's Speech" and "Django Unchained" have agreed to a two-week exclusivity period through the end of next week with Ms. Contreras-Sweet's team, two of the people said.

Her offer is a little less than $300 million in cash plus the assumption of $225 million of debt, a person with knowledge of the offer said. In addition, she has agreed to fund the company with $175 million of cash and seek a line of credit. The would-be buyers also intend to set aside an undisclosed amount of money in a payment fund for victims of alleged sexual harassment and assault by former co-Chairman Harvey Weinstein. That money would be for any valid claims not covered by the studio's insurance, one of the knowledgeable people said.

The talks could fall apart before a deal is reached.

The public disclosure of allegations against Mr. Weinstein led to the near-collapse of his eponymous studio and the current sale process. Mr. Weinstein has apologized for his past behavior with colleagues but denied allegations of nonconsensual sex.

Ms. Contreras-Sweet's backers include Ron Burkle's **Yucaipa Capital** and investment firm **Lantern Capital**, the person with knowledge of her offer said.

Weinstein Co. shareholders are hoping to reach an agreement with Ms. Contreras-Sweet in part because her's is the only leading bid that would keep Weinstein Co. out of bankruptcy court. Other bidders would want to buy assets out of bankruptcy to protect themselves from liability related to Mr. Weinstein's alleged misconduct, said another person with knowledge of the sale process.

Other bidders have included Miramax, the studio formerly led by Harvey Weinstein and his brother Bob, and its owner Bein Media Group;

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HEARD ON THE STREET | By Stephen Wilmot

A Path Ahead for Disney-Fox

The sky isn't falling in on Fox's big European deal.

The U.K. antitrust body's provisional move to block **21st Century Fox**'s $15.5 billion bid for control of **Sky** on grounds of media plurality is an adroit one. It capitalizes politically on British antipathy for Rupert Murdoch, the octogenarian media mogul who controls 21st Century Fox as well as various U.K. newspapers (and The Wall Street Journal) through separately listed **News Corp**. Yet it also indicates a way forward that won't cost 21st Century Fox or European pay-TV giant Sky anything.

Mr. Murdoch had charted the course by agreeing in December to sell parts of 21st Century Fox, including its 39% stake in Sky, to **Walt Disney**. The antitrust ruling builds on this by putting media plurality, rather than "broadcasting standards"—the other yardstick by which the U.K. government had asked the regulator to judge the deal—at the center of the action.

Damning their U.K. broadcasting standards would have been a continuing problem for both Fox and Sky. However, media-plurality concerns fall away if Disney, which has no position in U.K. news, proves to be the one buying Sky.

The timing is problematic, as the Disney-Fox deal is likely to complete after the Fox-Sky one.

But the detail of the U.K. ruling identifies solutions. For example, there could be an "event-based sunset clause," whereby restrictions on the Sky takeover would fall away if the Disney-Fox deal completes on the terms proposed, or the sale of assets to Disney could be made a condition of the Sky takeover.

Sky shares rose 2.3% on Tuesday. The market has seen behind the headlines to what this really is: a way for everyone to save face.

Public Interest

Sky's top 10 shareholders

%	Shareholder
39.1%	21st Century Fox
4.0	Baupost Group
3.0	HSBC
2.6	BlackRock
2.4	Abbey National
2.1	Franklin Templeton
1.9	Vanguard
1.6	Legal & General
1.5	State Street
1.5	Robeco

Source: FactSet
THE WALL STREET JOURNAL.

INSIDE

TESLA SETS $650 BILLION GOAL FOR MUSK

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Twitter Loses Noto To Online Lender SoFi

By Peter Rudegeair And Georgia Wells

Twitter Inc. operating chief Anthony Noto is leaving to become head of online lender **Social Finance** Inc., dealing a blow to Twitter's strategy for growth and raising questions about who will run day-to-day operations at the company.

Mr. Noto will take the top spot at SoFi on March 1. At that time, board member Tom Hutton, who has been serving as interim CEO since SoFi cofounder Mike Cagney resigned from the financial-technology startup in September, will become nonexecutive chairman.

Mr. Noto's departure will leave a void at Twitter. Its chief, Jack Dorsey splits his time between the social-media company and Square Inc., the payments company he founded. The Wall Street Journal reported on Saturday that Mr. Noto and SoFi were in discussions about the CEO job.

Mr. Noto, already known in Silicon Valley from his days as a Wall Street banker, elevated his profile there after joining Twitter as its financial chief in 2014. He took on increasing responsibility, including heading Twitter's video efforts and assuming the role of operating chief in November 2016. He later shed his finance duties to concentrate on running the business.

Many current and former Twitter employees, drawn to his vision of making a Twitter a significant operator in streaming video, said they had hoped Mr. Noto would one day become CEO.

Mr. Noto departure comes at a critical time for Twitter. Its shares have risen about 30% in the past three months after Twitter said it could report its first-ever quarterly profit. The effort, though, could stall if Twitter fails to make progress in expanding its user base, and Mr. Noto was seen as instrumental to those efforts.

Twitter shares fell 2.4% to

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BUSINESS & FINANCE

Tesla Primes Musk's Pay for Blastoff

By Tim Higgins

LUCY NICHOLSON/REUTERS

A Tesla showroom in Los Angeles. The company envisions its market value reaching $650 billion.

Tesla Inc. on Tuesday unleashed a bold pay package for Chief Executive Elon Musk that again ties his compensation entirely to performance benchmarks but with much grander goals, including a $650 billion market value for the electric-car maker within 10 years.

The pay plan, which shareholders must still approve, is designed to keep the 46-year-old billionaire as Tesla's top leader for years to come while also allowing for the possibility he will transition eventually from the day-to-day role of CEO into one of executive chairman and chief product officer.

The plan, which is modeled on the program set for Mr. Musk in 2012, entails a 10-year grant of stock options that would vest in 12 tranches, each with shares equal to 1% of the company's total shares outstanding as of Jan. 21, 2018. A tranche would vest only if a pair of milestones are achieved, one based on market value, the other on a measure of revenue or profit.

For example, the first tranche would vest if Tesla hits $100 billion in market value and either $20 billion in revenue or $1.5 billion in earnings before interest, taxes, depreciation and amortization, after adjusting for stock compensation. For the final tranche to vest, Tesla's market value would have to reach $650 billion.

Tesla, which reported revenue of $7 billion for 2016, had a market value of about $59 billion as of Tuesday's close. Mr. Musk owns about 20% of the company, according to S&P Global Market Intelligence.

Mr. Musk could net billions of dollars even if he achieves just a few of the milestones. But if Tesla were to reach the audacious market value of $650 billion—as much as Amazon.com Inc. is worth today—the company said Mr. Musk's stock award would reap him as much as $55.8 billion fully vested. That maximum assumes the company's shares outstanding won't be diluted.

"This ensures that Elon will continue to lead Tesla's management over the long-term while also providing the flexibility to bring in another CEO who would report to Elon at some point in the future," Tesla said in a statement about the plan on Tuesday.

Tesla said that if none of the tranches are achieved, Mr. Musk wouldn't receive any compensation. That would put him in circumstances similar to those of some other prominent Silicon Valley leaders who own enormously valuable stakes in their companies but receive little or no salary.

Mr. Musk is saying, "I want to set an audacious goal, and

Elon Musk stands to receive no compensation if Tesla fails to achieve certain goals.

then if I achieve it, then pay me audaciously," said John Challenger, a longtime expert in corporate compensation as chief executive of Challenger, Gray & Christmas. "He is in some ways capturing the spirit of Silicon Valley."

Mr. Musk's previous compensation program, granted in 2012, targeted a market value of $43.2 billion by 2022.

Since Tesla overtook Ford Motor Co.'s market value last year, and flirted with that of General Motors Co., the Silicon Valley auto maker's valuation has been a continual point of conversation. Critics question why investors are betting so much on a company that has yet to turn an annual profit and that has delivered a fraction of the sales of much larger auto makers.

Mr. Musk had previously committed the company to reaching a market cap of $700 billion, something he reiterated last year. "I could be completely delusional, but I think I see a clear path to that outcome," he told analysts in May.

TAX

Continued from the prior page

each of such branches supports about 6,000 families and about 450 small businesses.

"The improved regulatory environment has [helped] open this opportunity for us," Mr. Smith said. "Once you open a branch, you're helping customers to get mortgages, helping customers to get credit cards, helping small businesses to be able to get business loans, helping commercial bank customers to be able to grow their businesses."

The growth in branches is also connected to the bank's plans to boost small-business lending by nearly 20%, or $4 billion, hiring 500 new bankers over three years, he said. It plans to open offices in Charleston, S.C., and Bethesda, Md., in 2018 and is evaluating other locations.

JPMorgan also plans to hire 500 new mortgage employees to expand home lending in low- and moderate-income communities to $50 billion over the next five years. The bank lent an average of $7.7 billion annually to such communities from 2015 to 2017.

Mr. Smith said the $50 billion is equivalent to about 250,000 mortgages in lower-income communities. JPMorgan is also boosting the amount of certain homeownership grants and expanding its program to be available across the country.

Messrs. Dimon and Smith added that changes in Federal Housing Administration rules could lead to further growth in that type of lending. Since the financial crisis, JPMorgan has slimmed its mortgage business and worked with higher-end borrowers.

Mr. Dimon wrote in his 2017 annual shareholder letter that FHA overhaul "can bring banks

ANDREW HARRER/BLOOMBERG NEWS

JPMorgan's James Dimon

back and expand access to credit."

Meanwhile, some of the bank's planned investments will directly benefit employees.

JPMorgan said it would boost wages for 22,000 lower-paid, full- and part-time U.S. employees largely in branches and customer-service centers. Wages will increase to between $15 to $18 an hour, starting Feb. 25, from $12 to $16.50. This is the second time the bank has boosted wages in the past two years; the most recent raise follows a number of large banks' increases announced in December.

JPMorgan is also giving eligible lower-paid employees an annual award of $750 later in January, which it has done in prior years. Bank of America Corp. and U.S. Bancorp, among other large companies in other sectors, previously announced $1,000 one-time bonuses to many employees.

For employees making less than $60,000, JPMorgan will reduce medical-plan deductibles by $750 a year.

The bank also plans to boost its philanthropic giving by 40% to $1.75 billion over five years, aiming to drive economic growth in local communities.

Harassment Suit Names Ad Agency

By Lara O'Reilly

A former employee at Initiative, a media-buying agency owned by **Interpublic Group** of Cos., filed a lawsuit claiming she was sexually assaulted by an employee from client **Dr Pepper Snapple Group** Inc. and that her superiors reacted by trying to move her off the account.

The suit focuses attention on how sexual-harassment issues on Madison Avenue can extend beyond what happens inside ad firms.

In the suit, filed Tuesday in the U.S. District Court for the Southern District of New York, Nancy Mucciarone, a former associate director at Initiative, claims Justin Whitehead, a media manager at Dr Pepper, propositioned her sexually and after she turned down his advances, she alleges, he forcibly kissed and groped her.

Defendants include Initiative, Dr Pepper and Mr. Whitehead. Ms. Mucciarone is seeking unspecified damages.

Ms. Mucciarone claims her work environment became hostile after senior executives at Initiative discovered she was preparing to take legal action. She claims she was advised by a manager to shift to a different client account.

A Dr Pepper spokesman said that after the company was notified, it "took immediate action, and that employee was terminated." Mr. Whitehead couldn't be reached for comment.

Amy Armstrong, the U.S. chief executive of Initiative, said the firm stands by its actions and is committed to a safe workplace. "When our employee reported inappropriate behavior by an employee of a client to our HR department, we immediately took action by providing all information to our client who swiftly terminated this person," she said.

Ms. Armstrong said the company offered Ms. Mucciarone the chance to stay on the account or move to a comparable assignment but "she declined all offers and quit."

The suit brings a second controversy to an IPG-owned agency. Last month a top executive, Joe Alexander, left the creative shop Martin Agency over alleged sexual misconduct. Mr. Alexander denied wrongdoing. IPG defended its handling of the situation.

IPG also is named as a defendant in Ms. Mucciarone's suit. A spokesman said the company has been clear that when actions occur that run counter to its values, it takes swift action.

"We're pleased to see the leadership team at Initiative did exactly that in response to this very unfortunate incident," the spokesman said.

The lawsuit claims that at a happy-hour event in New York in August, Mr. Whitehead "made sexual overtures" to Ms. Mucciarone, which she rejected, and later pulled her shirt open, groped her breast and grabbed her buttocks.

Ms. Mucciarone quickly told Initiative managers at the bar about the assault, according to the suit. "They minimized it and advised her not to go to HR right away," given how important the Dr Pepper account was to the agency, the suit says. Ms. Mucciarone informed Initiative's human-resources department anyway, according to the suit.

Initiative said in a statement Ms. Mucciarone's direct manager received a formal written warning about his delay in reporting the incident to management, which directed him to attend a mandatory "Respect in the Workplace" training session. Initiative said that manager was terminated for unrelated issues on Oct. 13.

The suit claims senior Initiative executives retaliated against Ms. Mucciarone by ratcheting up criticism of her and advising her to move to another team within the agency or another IPG firm.

Ms. Mucciarone, who according to the suit had only ever worked on the Dr Pepper team during her time at Initiative, left the company shortly thereafter, feeling the agency had put her in an "intolerable situation," the suit said.

In a statement, Initiative said that it offered to move Ms. Mucciarone away from the Dr Pepper account in the belief that she wanted a new assignment.

Network Defends Keillor's Dismissal

Two months after cutting ties with Garrison Keillor, Minnesota Public Radio offered a lengthy explanation that appeared to contradict the prominent radio host's own account of his ouster over allegations of inappropriate behavior.

In a 2,000-word letter to members and listeners, MPR President Jon McTaggart said the former host of "A Prairie Home Companion" had been accused by a former female colleague of dozens of sexually inappropriate incidents over a period of years. The firing, he said, was "a painful decision, one that we did not make lightly."

Until Tuesday, most public discussion of the incident in question was offered by Mr. Keillor himself, who in a statement on his website alleged he was fired over "a story that I think is more interesting and more complicated than the version MPR heard."

Mr. Keillor has largely played down the incident, saying he accidentally touched a woman's bare back.

"It's some sort of poetic irony to be knocked off the air by a story, having told so many of them myself, but I'm 75 and don't have any interest in arguing about this," he wrote in November.

Mr. McTaggart's letter said the company began an independent investigation after receiving a 12-page letter from the attorney with details of the alleged incidents, "including excerpts of emails and written messages, requests for sexual contact and explicit descriptions of sexual communications and touching."

MPR said Mr. Keillor was notified of the investigation and was given the opportunity to respond to allegations with his attorney present before the nonprofit made the decision to terminate him. MPR also said Mr. Keillor and his attorneys refused multiple requests for access to his computer, emails and text messages for the investigation.

Mr. Keillor didn't immediately respond to a request for comment.

Mr. Keillor retired in 2016 from hosting the music-and-variety show he created in 1974.

—Anne Steele

ANDREW COOPER/WEINSTEIN COMPANY/EVERETT COLLECTION

Scene from 'Django Unchained.' The Contreras-Sweet bid would keep Weinstein Co. out of bankruptcy.

STUDIO

Continued from the prior page

Lions Gate Entertainment Corp.; production company **Killer Content** working with philanthropist Abigail Disney; and investment firms **Vine Alternative Investments** and **Shamrock Capital Investments**.

If the final deal talks go smoothly, a purchase could be announced by later this week, one of the knowledgeable people said. The Wall Street Journal earlier reported the studio was in talks with a small group of final bidders.

Deadline first reported on the exclusive negotiation period with Ms. Contreras-Sweet.

In a letter accompanying her initial offer, Ms. Contreras-Sweet said she intended to retain most of the company's current 157 employees. Current Weinstein Co. President David Glasser would be named chief executive, the knowledgeable person said.

Ms. Contreras-Sweet also said she would be executive chairman of a majority female board.

Ms. Contreras-Sweet founded Latino-focused ProAmerica Bank, which was bought by Pacific Commerce Bank in 2015. She also led the Small Business Administration under President Barack Obama.

—Dana Cimilluca contributed to this article.

Fox-Sky Deal Runs Into Trouble in U.K.

Antitrust regulators say remedial actions would still make a transaction possible

By Stu Woo
And Ben Dummett

British antitrust regulators said that **21st Century Fox's** proposed $16 billion bid to consolidate ownership of U.K. pay-TV giant **Sky** PLC would give the Murdoch family too much influence in the British media—but they kept the door open to remedial actions that would still make a deal possible.

The preliminary finding comes after Rupert Murdoch in December sealed a separate agreement to sell a chunk of Fox assets, including its 39% stake in Sky, to **Walt Disney** Co. for $52 billion. That has made regulatory scrutiny of the Fox-Sky transaction in the U.K. an important part of a much bigger, globe-spanning deal.

The determination, by Britain's Competition and Markets Authority, poses the latest hurdle in Mr. Murdoch's years-long efforts to buy the 61% of the broadcaster that his media empire doesn't already own.

The Road Ahead

Rupert Murdoch's Fox is attempting to buy all of U.K. broadcaster Sky, as Disney tries to buy a big chunk of Fox.

Source: staff reports
THE WALL STREET JOURNAL.

Sky investors were encouraged, however, that the regulator detailed options that could allow a deal to go through. The CMA will make a final recommendation in May. It will then fall to the British government to make a decision.

The regulator also said Tuesday that the deal passed its other test—whether Fox was committed to British broadcasting standards.

Sky shares rose more than 2% in London trading to just slightly below Fox's offer of £10.75 ($15.04) a share.

In a statement, Fox said that it was "disappointed by the CMA's provisional findings. We will continue to engage with the CMA ahead of the publication of the final report in May."

Technically, the CMA's stance shouldn't affect the terms of the Disney-Fox deal, since Disney has agreed to buy only Fox's existing stake in Sky. Disney considers Sky one of the jewels of the Fox assets—a way to expand its international footprint and gain a direct relationship with millions more consumers, both key strategic goals for Disney chief Robert Iger.

Should the government ultimately block the Fox-Sky deal, or if Fox walks away instead of agreeing to remedies, Disney would then have to decide whether to initiate a fresh bid for the rest of Sky, to take 100% control.

That assumes the Disney-Fox transaction is approved—a separate regulatory review that will play out in the U.S. and Europe perhaps over more than a year.

Disney's chief financial officer, Christine McCarthy, in December said the Sky transaction would be fully managed by Fox until Disney's purchase is completed.

The British regulator suggested Tuesday it was more open to 100% ownership of Sky by Disney than full control by Fox. If Disney succeeded in its bid for the Fox assets, it would "significantly weaken" the link between the Murdoch family and Sky, the regulator stated. It said the Disney deal to buy the Fox assets would face its own regulatory review.

The issue at hand is that Sky, a satellite-TV and cable provider, also runs its own news channel, Sky News. Regulators said Tuesday if Fox had complete ownership of Sky, that would give the Murdoch family "greater influence over public opinion and the political agenda through Sky News, and would add to the...already significant influence over public opinion and the political agenda through its control of the **News Corp** titles."

The Murdoch family is a big shareholder in both 21st Century Fox and News Corp, which publishes widely read U.K. newspapers, including the Times of London, the Sunday Times and the Sun tabloid. News Corp also owns The Wall Street Journal.

The regulator listed possible remedies that could ease its concerns about media concentration. These include spinning off Sky News. Sky, which had said it might close the business anyway, declined to comment Tuesday.

Another option floated by regulators was allowing Fox to create a board of mostly independent members to oversee Sky News. That arrangement could fall away should Disney clinch its deal with Fox and take control of Sky. Such an

Rupert Murdoch has tried for years to buy the 61% of Sky that his company doesn't own.

oversight board would offer Fox a relatively simple way of alleviating the CMA's concerns as it awaits approval on the Disney deal. Still, the regulator said it was concerned about the effectiveness of this condition.

The British regulators will allow Fox and groups that support and oppose the deal to respond to its preliminary recommendations.

They are scheduled to deliver final recommendations in May to the U.K. culture secretary, who can decide to approve the deal outright, approve it with conditions or reject it.

J&J Posts Loss on Tax Charge; Patent Ruling Stings

By Jonathan D. Rockoff
And Allison Prang

Johnson & Johnson sales rose in the fourth quarter, but the company reported a loss after taking a $13.6 billion charge as a result of the new U.S. tax law.

J&J expects the new law to lower its effective tax rate by 1.5 to 2.5 percentage points from the current rate of 17.2%.

Analysts said the positive impact probably figured in the company's better-than-expected outlook for this year.

Also on Tuesday, a federal appeals court upheld a decision from the U.S. Patent and Trademark Office invalidating a patent protecting arthritis therapy Remicade, J&J's top-selling product. If J&J had won, the company could have sought compensation from rivals such as **Pfizer** Inc. for sales lost to biosimilar versions of Remicade.

The news helped send J&J shares down 4.3% to $141.83.

New Brunswick, N.J.-based J&J is the latest company to post a charge as a result of the new tax law's levy on earnings made abroad, part of the overhaul's efforts to shift to a territorial system of taxation.

J&J has $16 billion in foreign earnings it has held overseas to avoid paying taxes under the old 35% corporate tax rate. The new law will charge companies a one-time tax of 15.5% on overseas profits held in cash and liquid assets.

Chief Executive Alex Gorsky praised the tax changes for improving the competitiveness of U.S. companies. He said the law will prompt J&J to increase investment, "with the intent to have [the investment] substantially made in the U.S."

For the fourth quarter, J&J swung to a loss of $10.71 billion, or $3.99 a share, compared with a profit of $3.81 billion, or $1.38 a share, in the year-earlier period, largely because of the tax-law charge.

Excluding special items such as the tax provision, J&J's profit rose 9.5% to $4.78 billion, or $1.74 a share. Sales rose 12% to $20.2 billion.

The results were driven by sales in the pharmaceuticals business, which rose 18% to $9.7 billion. Sales of J&J's cancer drugs had some of the biggest gains.

Global sales of multiple-myeloma treatment Darzalex rose 86% in the quarter to $371 million—making the drug a so-called blockbuster, with annual sales over $1 billion.

But sales of Remicade fell 10% in the quarter to $1.5 billion as the company offered heavy discounts to compete with lower-priced biosimilars.

For 2018, J&J said it expects sales between $80.6 billion and $81.4 billion and adjusted earnings per share between $8 and $8.20.

Analysts had expected full-year adjusted earnings per share of $7.87 on revenue of $80.7 billion.

A J&J spokesman said the company was "disappointed" in the patent ruling.

Pfizer has sued J&J alleging anticompetitive behavior to protect Remicade from competition from Pfizer's biosimilar, known as Inflectra.

A Pfizer spokesman praised the patent ruling, but said "J&J continues to use their scheme of exclusionary contracts to maintain Remicade's monopoly position."

PepsiCo Tries to Boost Gatorade's Faltering Sales

By Cara Lombardo

PepsiCo Inc.'s Gatorade, a sideline staple for fatigued athletes that has long dominated the sports-drink market, needs a pick-me-up of its own.

Known for neon-colored, sugar-loaded flavors such as "Arctic Blitz," Gatorade has been losing ground as consumers gulp record amounts of bottled water and spend more on enhanced waters, teas and energy drinks.

Gatorade sales in the U.S. slipped 0.5% to $5.9 billion in 2017, marking the beverage's first decline since 2012, according to research firm Euromonitor International. The drink still commands about three-quarters of the U.S. sports-drink market, according to Euromonitor, though its share slipped last year.

"It's definitely been a challenging year for sports drinks," said Howard Telford, head of Euromonitor's soft-drinks research. And with consumers favoring healthier-seeming options, he said, "I'm not sure whether Gatorade would be the first thing they'd reach for."

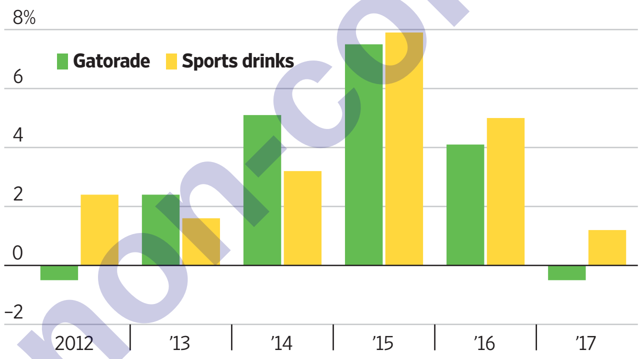
Gatorade Organic 'might've been too little, too late,' an analyst said.

Gatorade, which has about half as much sugar per ounce as cola, is part of a larger conundrum for soda giants PepsiCo and **Coca-Cola** Co., which are trying to appeal to changing consumer tastes while preserving their biggest brands. Soda volumes have been falling as consumers shift away from sugary drinks. This month, Coca-Cola added four new flavors to its slumping Diet Coke lineup.

PepsiCo also is facing increased competition in the sports-drink market, including from the celebrity-driven upstart **BodyArmor**, which is a distant third but has been gaining market share.

Fighting Fatigue

Gatorade sales fell last year, as the overall U.S. sports-drink market cooled.



Source: Euromonitor
THE WALL STREET JOURNAL.

PepsiCo said it isn't concerned. "While several competitors have entered the space, our relationship, consumption and connection to our core target, athletes, has simply never been stronger than it is today," the company said in a statement Tuesday.

PepsiCo Chief Executive Indra Nooyi tried to assure investors in October that the company was taking action to address the Gatorade sales decline, which she said was temporary and mainly due to a cooler-than-expected summer and slowed convenience-store sales.

"We're all over it," Ms. Nooyi said on the October call, without elaborating. Gatorade accounted for about 20% of the company's North American drink volume in the most recent quarter.

PepsiCo said in its statement Tuesday that the decline came after two years of "terrific" growth in the same quarter. "As we said then, this is a temporary issue and we have already taken action to improve our performance."

The company bought Gatorade in 2001 as part of its $13.8 billion purchase of Quaker Oats Co. The drink, developed in 1965 by University of Florida researchers to replenish electrolytes and fluid lost through sweat, has dominated the sports-drink market. It closest rival, Coca-Cola's Powerade, has 18% of the market. Powerade sales last year were flat compared with 2016.

Over the years, PepsiCo has experimented with expanding Gatorade, with mixed results. It released a lower-calorie version, G2, in 2007. In 2010, it rolled out the G Series, which included pregame and postgame formulations. It added protein bars, powders and energy chews.

Most recently, PepsiCo introduced an organic version of the drink. Gatorade Organic, made with organic cane sugar and free of artificial coloring, comes in bottles wrapped with plastic that conceal the drink's lack of color.

Retail sales of Gatorade Organic have totaled about $20 million since the product's launch in late summer 2016, according to market research firm Nielsen. Sales of all Gatorade drinks amounted to $7 billion over the same period.

Gatorade Organic is a "valiant" effort by PepsiCo to give sports drinks a healthier reputation, said Ali Dibadj, a consumer-goods analyst with Bernstein. But "it might've been too little, too late. You clearly see the growth rate and market share has stalled."

Verizon to Share Tax Savings With Staff

Windfall of as much as $4 billion also to go toward paying down carrier's hefty debt

BY RYAN KNUTSON AND AUSTEN HUFFORD

The new tax law will put as much as $4 billion extra cash in **Verizon Communications** Inc.'s pocket this year.

The telecommunications company said it would use the funds to pay down some of its $117 billion debt, donate $200 million to $300 million to its charity, and give almost all of its 155,000 employees 50 shares of Verizon stock. The shares, which currently trade around $53, will be priced Feb. 1 and vest over two years. Verizon said the employee stock award is worth about $380 million, or about $2,500 per employee.

The windfall comes as Verizon's business is humming. On Tuesday, the carrier said it had turned around two years of declining revenue in its wireless unit, increasing revenue by 1.7% from a year earlier to $23.8 billion. Verizon also added 1.2 million postpaid connections, 431,000 of which were phones.

Verizon said the tax law wouldn't result in increased network spending because the company has been disciplined about its deployment strategy.

"It's very inconsistent that just because tax reform comes through, we are all of a sudden going to draw the line at a different place or lose that discipline," Verizon Chief Executive Lowell McAdam said on a call with analysts. "What tax reform does do is gives us great flexibility that we can prove to ourselves that we can get a reasonable return on invested capital, we can accelerate very rapidly."

One thing Mr. McAdam said Verizon won't spend money on now: a major acquisition. Instead, Verizon wants to remain neutral amid disruption in the media space, which will allow it to strike deals with many content companies.

In all, Verizon posted a profit of $18.67 billion, or $4.56 a share, compared with a profit of $4.5 billion, or $1.10 a share, a year ago.

The boost was a result of a one-time $16.8 billion reduction of its deferred tax liabilities.


PATRICK T. FALLON/BLOOMBERG NEWS

Verizon turned around two years of declining revenue in its wireless unit. A store in Brea, Calif.

Disney Employees To Receive Bonuses

Walt Disney Co. is the latest major company to give its employees $1,000 bonuses following the federal cut in corporate taxes.

The entertainment company said Tuesday it will give the bonuses to nearly all of its nonexecutive employees in the U.S., more than 125,000 people. The company also said it is making an initial $50 million investment into a tuition-reimbursement program for about 88,000 hourly employees and will invest as much as $25 million annually in the future.

A Disney spokeswoman confirmed the new programs, with a total cost of $175 million this year, are a response to the federal tax changes.

The bonuses and educational benefits also come as Disney is awaiting government approval for its agreement to purchase most of the assets of **21st Century Fox** Inc.

"I have always believed that education is the key to opportunity," Disney Chief Executive Robert Iger said.

The $1,000 cash bonus will be paid in two installments, in March and again in September, to nonexecutive employees in the U.S. who have worked at Disney since Jan. 1.

—Ben Fritz

Apple Sets Smart Speaker's Debut

BY TRIPP MICKLE

Apple Inc. will start selling its voice-activated speaker HomePod in stores Feb. 9, after a launch delay that cost the company sales during the critical holiday shopping season.

The tech giant, in announcing the sales date Tuesday, didn't explain why the product missed a promised December ship date. The HomePod can be preordered online beginning Friday.

Market leaders **Amazon.com** Inc. and **Alphabet** Inc. continued to sell Echo and Google Home devices during the holidays, while Apple worked on a rival product it said wasn't ready for sale.

Amazon was the first major tech company to enter the smart-speaker market in late 2014, opening a wide lead by selling more than 20 million Echos even before tallying sales for the recent Christmas season. Its hockey puck-size Echo Dot is estimated to account for more than half of Amazon's speaker unit sales, largely because of its lower price, which dropped to $30 during the holidays before rising to $50.

The smart-speaker shipments world-wide are expected to rise more than 50% this year to 56 million units, according to the market researcher Canalys. The U.S. will account for more than half of those sales, it said.

At $349, the HomePod costs considerably more than Amazon's latest Echo and a Google Home, whose list prices are $100 and $129, respectively.

Apple has tried to differentiate its speaker by emphasizing sound quality, particularly when playing music, over the device's ability to perform tasks.

Voice-activated speakers have moved to the forefront in a battle over what some technology analysts see as the future of computing. Virtual assistants such as Apple's Siri, Amazon's Alexa, Microsoft Corp.'s Cortana and Google Assistant are expected to be embedded in more than four billion consumer devices by the end of 2018, allowing people to perform simple computing tasks by voice such as searching for information or turning off lights, according to the research firm IHS Markit.

Apple's Siri has a much wider presence by virtue of being featured on more than a billion iPhones and iPads. However, Amazon and Google are aiming to catch up by cutting deals to put their assistants into such products as Toyota Motor Corp. vehicles and Sony Corp. televisions. They also offer greater functionality; Amazon's Alexa, for example, can perform thousands of commands compared with hundreds by Siri.

The HomePod was the latest in a series of Apple products that faced delayed. The AirPods earbuds missed their promised ship date last year, and the Apple Watch, promised in early 2015, arrived late in April of that year.

Apple said the HomePod initially will be available in the U.S., U.K. and Australia, and will arrive in France and Germany this spring.


JUSTIN SULLIVAN/GETTY IMAGES

A HomePod prototype on display during a conference last year.

Snapchat to Enable Wider Sharing

BY GEORGIA WELLS

Snapchat, the social-media app distinctive for its intimacy in an era of personal broadcasting, is moving beyond its so-called walled garden.

As of Tuesday, parent firm **Snap** Inc. said, some Snapchat users will be able to take videos and other content they encounter within the app and share it outside the walls, such as through Facebook, Twitter, email and text messaging.

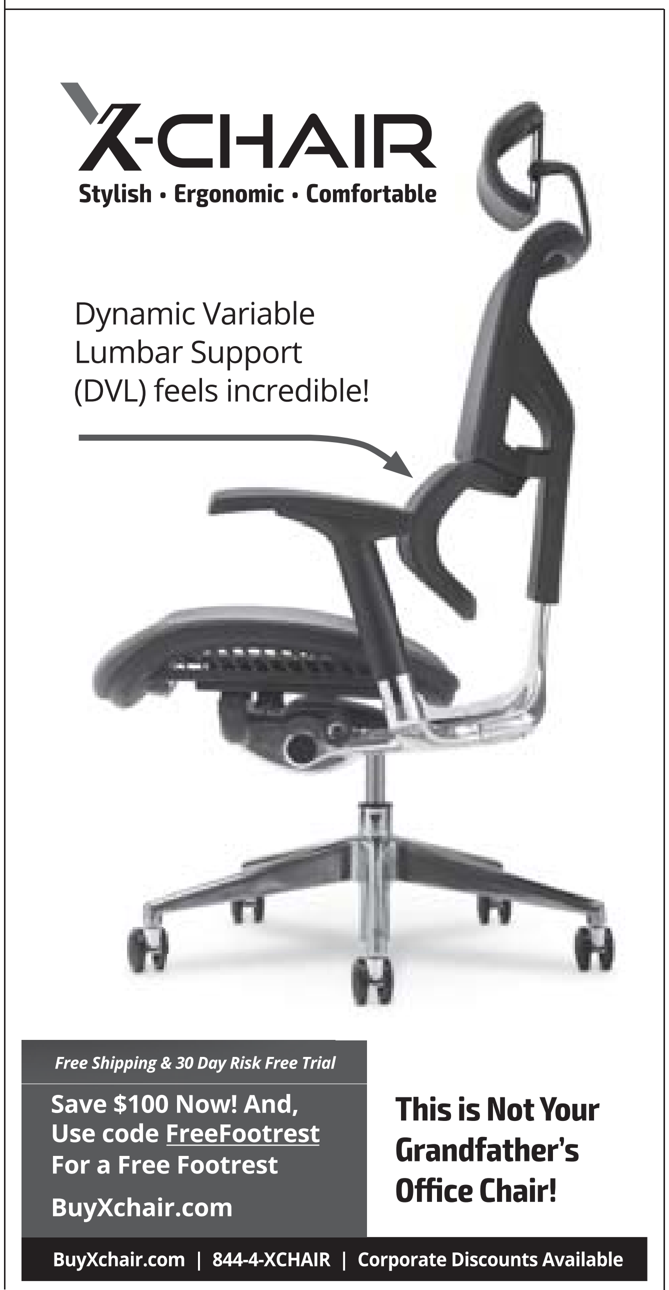
Snap said the intent is to foster greater awareness of Snapchat for people who aren't already users. The move comes against a backdrop of investor concern about Snap's daily-user growth, which fell to 2.9% in three months ended Sept. 30, compared with 17% in early 2016.

The new feature is notable because it shows Snap's willingness to evolve beyond the basis for the app's early popularity, including ephemerality, one-on-one messaging and closed social groups.

Traces of this latest move were evident in 2014, when Snap started curating content submitted by users and shared it more broadly on the app. This is the first time, however, that Snap has made content shareable outside the app.

Snap follows other social-media apps that have made it easier to share viral content outside their walls. In 2011, **Twitter** Inc. allowed tweets to be embedded on other websites. **Facebook** Inc. did the same with its posts in 2013.

Only users in some countries where Snap has rolled out a redesigned version of Snapchat, such as Australia and Canada, will be able to immediately share beyond its walls. The new version is set to reach other users, including in the U.S., over the next few weeks.



NOTO

Continued from page B1

$22.75 on Tuesday.

"Noto has been the most visible and consistent articulator of Twitter's evolving corporate strategy," Wells Fargo analyst Peter Stabler wrote in a research note.

Twitter doesn't plan to immediately name a new operating chief, and it is evaluating whether to fill the role down the road, according to a person familiar with the matter. Mr. Noto's responsibilities will fall to current members of Twitter's executive team, the company said in a statement.

SoFi, founded in 2011, is one of the best financed and most ambitious financial-technology startups. The company has raised nearly $2 billion to expand beyond its original business—refinancing student loans for U.S. borrowers—and push into foreign markets and new businesses such as mortgages, life insurance, automated investment accounts and asset management. SoFi extended $3.5 billion in loans in the third quarter of last year, up 79% from the period of 2016, according to a letter to investors.

One of the first tasks for Mr. Noto will be to rebuild the executive team, which has been rocked by departures. In addition to Mr. Cagney, SoFi in the past year lost its chief financial officer, chief revenue officer and chief technology officer.

—Austen Hufford contributed to this article.

THE PROPERTY REPORT

Landlords Embrace a Shared View

Big office owners are exploring deals with co-working firms as the business expands

By Peter Grant

MICHAEL SHORT/BLOOMBERG NEWS

WeWork has seen strong demand for office spaces with hip designs and a buzzy vibe.

Co-working is coming of age.

Some of the world's largest landlords, facing weak growth in traditional office rents and occupancies, are investing heavily in what until recently was viewed as a niche office business that catered primarily to technology startups and millennials.

A venture of **Brookfield Asset Management** Inc. and **Onex** Corp. is negotiating to buy **IWG** PLC, which has a market capitalization of £2.48 billion ($3.47 billion) and operates co-working facilities as well as more traditional offices for small and midsize businesses. On Saturday, the U.K.'s Takeover Panel extended the deadline for the venture to make an offer until Feb. 2. Brookfield declined to comment on the negotiations.

Meanwhile, **Blackstone Group** LP last year purchased the Office Group in a deal that valued the U.K.-based co-working provider at £500 million.

Blackstone, Brookfield and Houston-based **Hines** also are exploring a wide range of deals with new shared-space firms like WeWork Cos., IWG, **Industrious** and **Convene**.

The new workplace trend "is certainly something we're spending a lot of time focusing on in our office space business," said Rob Harper, head of U.S. asset management at Blackstone's real-estate group.

Co-working at its core is a new name for a business that has been around for decades. Firms simply lease big blocks of space from landlords and subdivide it for smaller tenants and provide a range of office services.

But as the economy began to recover after the 2008 recession, a new set of co-working companies led by WeWork found surging demand among young workers for densely packed spaces with hip designs and a buzzy vibe.

The changes are permeating most dimensions of the traditional office space business, including lease terms and structure, building financing and even valuations.

Traditional office building investors are watching closely. So is the tech world, given WeWork's $20 billion valuation.

The interest among major landlords is being fueled by the recognition that the co-working business has been one of the few bright spots in the office market during the economic recovery.

Overall, growth in the U.S. market has been much slower than in previous upcycles. Current occupancy in the top 50 markets is roughly 85%, according to research firm Green Street Advisors. It was close to 92% in 2000 and greater than 87% in 2007, Green Street said.

Co-working firms are one of the few sources of demand, a point stressed at an October investor presentation by **Boston Properties** Inc., one of the country's largest office real-estate investment trusts. The firms accounted for 30 million square feet of absorption during the current cycle, or 9.1% of the total, said Owen Thomas, Boston Properties' chief executive.

The firm has cut numerous leasing deals with WeWork. In one project, Boston Properties, WeWork and Rudin Development, are developing a 14-story building in the Brooklyn Navy Yard that will include a food hall, health center, open lawn conference center and access to a new ferry terminal.

"It's clearly an important trend in our business," Mr. Thomas said.

It also poses headaches for building owners. Up until recently, firms like WeWork have attracted thousands of entrepreneurs and small firms to spaces in major office buildings that in the past didn't serve such tenants.

But now big companies are pressing landlords for space with a hipper vibe, more amenities and shorter leases that allow easier expansions and contractions.

This will likely increase landlord costs for building out spaces. "If you want to attract and retain tenants, you've got to be a little bit more bling," said Jed Reagan, a Green Street analyst.

Also, because co-working generally uses less space per worker, occupancy likely will decline as big tenants begin to transition to more flexible spaces. If big tenants succeed in reducing lease lengths from the standard 10- or 15-year contracts to a few years, building owners are going to have a tougher time obtaining financing.

"If you're a landlord, you have to feel somewhat threatened," said Matt Kopsky, a REIT analyst at financial-services firm Edward Jones.

Landlords are responding with a variety of strategies. Some of the biggest players are buying co-working and flexible-space businesses, like Blackstone did with the Office Group and Brookfield might do with IWG.

Owners also are exploring a wide range of business deals with firms like WeWork and Industrious. In some cases, landlords will simply lease space to co-working businesses. In other cases, landlords are cutting management agreements with co-working companies similar to the kind of deals that hotel owners may cut with hotel brands like Hilton or Marriott.

—Eliot Brown contributed to this article.

PLOTS & PLOYS

MALLS

Gas Fill-Up Offered While Client Shops

As the competition for shoppers intensifies, a California mall is offering customers the perk of having gas delivered to their cars in the parking lot while they shop.

The Great Mall in Milpitas, Calif., recently joined with Booster Fuels, an app-based company that comes directly to cars at offices and retail parking spaces and refuels them.

Customers "could watch a movie at the mall, push a button, come back with a full tank and get on with more important things in life," said Frank Mycroft, chief executive officer of the app-based service. **Simon Property Group** Inc., which owns the Great Mall, didn't respond to requests to comment.

Booster Fuels said customers usually get their requests filled within an hour.

—Esther Fung

BANK OF AMERICA

Lender to Expand In Downtown L.A.

Bank of America Corp. has renewed its office lease in downtown Los Angeles and has taken more space as competition for office tenants heats up.

The third-largest U.S. bank by assets extended and expanded its anchor lease at Bank of America Plaza to 218,000 square feet from 163,000 square feet, according to Brookfield Properties, which owns the 55-story building. The lender will relocate its regional Merrill Lynch and U.S. Trust offices from other offices nearby.

—Esther Fung

Malls Plot a Course To Retailing Depot

By Esther Fung

The outlook for shopping malls is terminal. As in transportation terminal.

Some retail landlords, in their quest for ways to boost foot traffic and grab customers' attention, are betting on the long corridors that take the masses to and from planes, trains and automobiles.

Drawing commuters out of transit hubs and into shopping areas can be a valuable proposition, real-estate observers said.

"There is much greater sophistication in the way retail property developers now think about this kind of thing," said Alan Penn, professor in architectural and urban computing at University College London.

Real-estate private-equity firm **Madison International Realty** is planning to redevelop Brooklyn's Atlantic Terminal Mall and Atlantic Center, huge properties that sit atop nine subway lines and a Long Island Rail Road stop and are a stone's throw from Barclays Center, home of the Brooklyn Nets.

Westfield World Trade Center is a gleaming white mall that opened in 2016 at a site where roughly 300,000 daily commuters from 13 subway and PATH trains converge in lower Manhattan. Downtown Miami's Brickell City Centre, a 9-acre mixed-use project, started opening stores in November 2016 in its 500,000-square-foot open-air shopping center located near a Metrorail station, a Metromover light rail station and a trolley stop.

For landlords, focusing on transportation is something of a departure.

Malls used to be modeled on the notion of luring in shoppers with anchor stores and then restricting the number of ways out, said Mr. Penn.

Later on, two-story malls were added to the mix.

Now, with open-air shopping centers in vogue, public-transit links are hot.

"It's the Holy Grail," said Ronald Dickerman, president of Madison International Realty. "You're at 50% to 75% to the goal line when you've got these patrons," he said of commuters.

Developers should be tasteful, he said, and aim for a happy medium between commuting and commerce.

"It can't be viewed as an inconvenience," said Mr. Dickerman. "It should be a graceful shopping experience."

Such projects already are common in busy cities in Asia and Europe, where exits from subway and rail platforms often spill into shopping centers, which then are linked to residential or office towers. In Hong Kong, Singapore and Japan, the basement level where the metro is located can be just as valuable as ground-floor retail space.

"In the first visit, you want to make it easy for them, provide good signage," said Jacqueline Beckingham, global creative director at architecture firm Benoy. "But on the second visit, you want them to discover other things and explore other routes to take that aren't so obvious but more enjoyable and perhaps even faster."

DREW ANGERER/GETTY IMAGES

The World Trade Center in New York sees 300,000 daily commuters.

MICHAEL BUCHER/THE WALL STREET JOURNAL

A Prologis facility is seen in the Bronx, N.Y. REITs such as Prologis have reported solid results so far this earnings season.

Market Rally Skips REIT Shares

By Peter Grant

While stock investors are loading up like kids in a candy store, shareholders of real-estate investment trusts are more like sad street urchins pressing their faces up against the window.

Last year, while the S&P 500 index soared 21.8%, the FTSE Nareit All Equity REITs index rose just 8.7%. So far this year, the S&P is up more than 6%, while the REIT index is down 2.4%.

REIT executives are feeling frustrated.

"We certainly wish we were participating" in the rally, said Brad Case, a senior vice president with the National Association of Real Estate Investment Trusts, or Nareit, the trade association whose members own nearly $3 trillion in property assets.

The poor share performance has triggered a debate in the REIT world about whether the market's shabby treatment is justified. Some analysts point to such explanations as rising interest rates and a swelling development pipeline of new office buildings, apartment complexes and self-storage facilities.

But some REIT proponents say the sector has become collateral damage to the general exuberance on display on Wall Street.

"It's not that people now are looking closely at REITs and saying prospects are poor," Mr. Case said. "They're being entirely diverted. The tech stocks are taking up all of their attention."

In a new report, Nareit points to the similarities between today's market and the 1999 tech bubble, which led to the dot-com bust in 2000. That era was "a time like today when REITs had become 'overlooked and undervalued' as the tech stock bubble inflated relentlessly," last week's Nareit report points out.

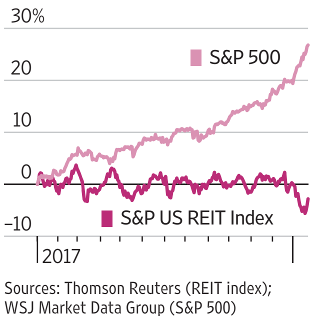
If Nareit is right, REITs would be a screaming buy about now, Mr. Case said. In 2000, the REIT index soared 25.9%, far outperforming the S&P, which fell 9%.

But not everyone agrees with Nareit's historical analysis. After all, the tech stocks leading the rally today are large-cap companies like Apple Inc. and Amazon.com Inc. Back in the late 1990s, the dot-com bubble involved startups with absurd valuations that flamed out and disappeared.

"I watched biotech stocks go up 10% to 20% a day," recalls Steve Sakwa, an analyst with Evercore ISI.

Missing Out

Real-estate investment trusts have underperformed the stock market.



Sources: Thomson Reuters (REIT index); WSJ Market Data Group (S&P 500)

THE WALL STREET JOURNAL.

Mr. Sakwa points out that companies like Apple are still being analyzed on a "pretty rational" basis. "There are always going to be some things that are bubbly—like bitcoin," he said. "But it doesn't feel to me quite like the '99-2000 tech bubble."

Regardless of whether the broad market is getting frothy, REITs these days don't have many of the features that investors like. Companies that are in favor are those enjoying more of a clear benefit from faster economic growth. Also, REITs won't benefit from a lower corporate tax rate because, by definition, they don't pay corporate taxes.

"It seems like there's been a broad selloff of defensive-type industries like real estate into other industries that will benefit more from rising rates, tax reform and faster growth in the economy," said Matt Kopsky, a REIT analyst at Edward Jones.

The outcome of the great REIT debate of 2018 will partly come down to the performance of the REITs in terms of occupancy, rents and income. Analysts point out that with a bull market in real estate now in its ninth year, headwinds are picking up in the form of new supply and declining rents.

Some sectors are getting hammered. Retail REITs, for example, have lagged behind because of the growing popularity of online shopping. Suburban office buildings have been hurt by the move of many businesses to downtown areas.

But REIT earnings season is starting this week and so far the initial reports are good. **Prologis**, an industrial REIT, on Tuesday reported that in the fourth quarter earnings were $373 million, up from $345 million during the period in 2016. The company's shares rose 3% to $64.97 on the New York Stock Exchange on Tuesday.

Seoul Tightens Grip on Bitcoin

By Eun-Young Jeong
And Steven Russolillo


SEONGJOON CHO/BLOOMBERG NEWS

A cryptocurrency mining facility in South Korea. The country is expanding oversight of the sector.

SEOUL—Regulators are expanding measures to verify the identities of cryptocurrency investors, as part of South Korea's moves to control one of Asia's hottest bitcoin markets.

Regulators on Tuesday said that only individuals with verified bank accounts linked to cryptocurrency exchanges will be able to inject more fiat money, or legal tender, into virtual currencies.

The government has already announced banning the use of anonymous cryptocurrency trading accounts. The new regulation goes further, requiring banks and exchanges to identify who their customers are. The rule will go into effect on Jan. 30.

The move comes as a surge in bitcoin and other cryptocurrency trading is presenting challenges for financial regulators and central banks. Regulators fear some people may use cryptocurrency trades to launder money.

The new South Korean rule will require customers of cryptocurrency exchanges to open accounts at banks that provide services to the trading venues, if they want to invest more money. Investors who don't have accounts at the banks can withdraw money from their cryptocurrency exchange accounts, but not inject extra fiat money.

The measures were introduced to "minimize the side effects" arising from cryptocurrency trading and "[do] not represent in any way our intention to institutionalize virtual currency-dealing firms or vitalize cryptocurrency trade," Kim Yong-beom, vice chairman of the Financial Services Commission, said at a press conference.

Under the new measures South Korea has announced in recent weeks, banks will have a heightened role in detecting and stamping out money-laundering activities. They will be banned from servicing accounts for cryptocurrency exchanges that refuse to disclose customer information. Foreigners and underage minors will also be restricted from trading cryptocurrencies.

The Financial Services Commission's guidelines say banks should monitor cryptocurrency-related deposits or withdrawals exceeding 10 million won ($9,350) a day or more than 20 million won a week.

South Korea is also considering banning cryptocurrency trading, but the bill proposing such a move would have to go through the country's national assembly.

Platform Aims to Ease Cryptocurrency Trade

By Laurence Fletcher

A former **Goldman Sachs Group** Inc. banker plans to launch a digital currency platform that will make it easier for investors to bet against a cryptocurrency, the latest step in potentially bringing the nascent market closer to the financial mainstream.

Alex Grebnev, who worked at Goldman Sachs for almost a decade in various roles in equities and derivatives structuring before joining Merrill Lynch, is working with an existing cryptocurrency exchange called Changelly.

He plans to launch a platform for digital currencies later this year that will allow private or institutional investors to strike repurchase agreements, or repos, with one another.

The platform, called Oxygen, will let investors earn money by lending out cryptocurrencies. In return, they get another cryptocurrency, which they agree to take as collateral until the original currency is returned. It will charge a fee for transactions and will target Changelly's existing 1.6 million clients and other cryptocurrency holders.

"We are at the very beginning of the journey, but the journey is happening very fast," said Mr. Grebnev of the development of cryptocurrencies as an asset class.

Mr. Grebnev predicts the platform will stabilize the cost of borrowing cryptocurrencies, whose volatile fluctuations—ranging from a few percentage points annually to perhaps 100% or more—can deter investors who want to wager on falling prices, known as a short bet.

For example, using a tactic common among hedge funds, an investor can borrow and then sell the cryptocurrency, hoping to buy it back later at a lower price and pocket the difference. Meanwhile, they are betting the cryptocurrency they handed over as collateral doesn't fall by as much as the one they borrowed.

Mr. Grebnev expects the cryptocurrency repo agreements to be struck for periods ranging from hours to a year or two.

COIN

Continued from page B1

scratching and irresponsible," said a user on Reddit with the name "vilnius2013."

In a Jan. 10 email exchange with The Wall Street Journal, Mr. Chez explained that coinmarketcap.com decided to make the change in its price algorithm on the evening of Sunday, Jan. 7, though it remains unclear specifically when it went into effect.

By Monday morning, prices on his website for bitcoin, ether, **Ripple** Inc.'s XRP and dozens of other cryptocurrencies suddenly were being quoted materially lower, sometimes 15% or more.

At the time, some pointed to the South Korean move to inspect large commercial banks in the country on their use of cryptocurrencies.

Then, that Monday afternoon in New York, CoinMarketCap released a statement on Twitter that it "excluded some Korean exchanges in price calculations due to the extreme divergence in prices from the rest of the world and limited arbitrage opportunity."

The site 'caused the market to crash,' says analyst Mati Greenspan.

Mr. Chez wrote in his email to the Journal that "a lot of users were complaining about the inaccurate prices," but he "didn't realize how big of an impact" the Korean exclusion would have.

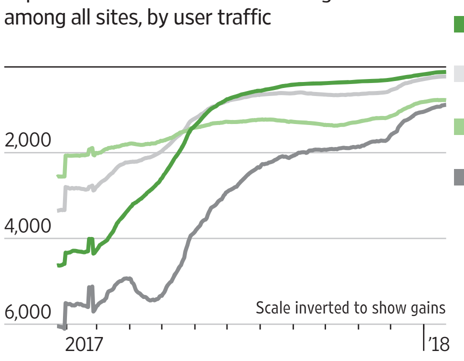
"I think the market was already on a downturn at that point so the timing was quite unfortunate," he added.

The site "caused the market to crash," Mati Greenspan, an analyst at brokerage firm eToro, wrote in a client note. "For myself and all of you reading, I propose that we boycott this website effective immediately."

So far, that message has been ignored. On Monday, coinmarketcap.com was ranked 117th globally by **Amazon.com** Inc.'s website-ranking service, up from 142nd before the Korea decision. Coinmarketcap.com also ranked higher than most U.S. news websites, and even Alibaba.com, a major Chinese retailer site that was ranked 174th globally.

Traffic Peak

Top bitcoin-related websites' rankings among all sites, by user traffic



Coinmarketcap.com No. 117
Coinbase.com No. 223
Blockchain.info No. 776
Coindesk.com No. 885
Ranking as of Jan. 21

Note: Daily data through Jan. 21
Source: Amazon/Alexa Internet
THE WALL STREET JOURNAL.

That is quite a feat for a company that doesn't have a corporate office, nor any clear outlet to the outside world save for Twitter and Facebook accounts. The website doesn't disclose any company officials, nor does it provide any contact beyond a general support email.

Part of the reason Mr. Chez's site is surging in popularity comes from the mad rally over the past year in cryptocurrencies beyond bitcoin, often called "alt coins." Coinmarketcap.com lists prices for more than 1,100 of them, from ether, the second-most valuable, to something called AppleCoin, which Monday had a market capitalization on the site of $23.

Mr. Chez, whose name has been listed in public records databases as owner of the company, said in an email that "our goal was and still is to remain a neutral and accurate source for the cryptocurrency community."

CoinMarketCap is registered in New York as a limited liability company, with an address in Long Island City, according to the databases.

On that location sits a seven-story brown-brick apartment building that was built within the past two years. Mr. Chez is listed as a resident there. The same address is also listed on public records linked to CoinMarketCap. Earlier this month, a person inside the apartment didn't answer the door, and Mr. Chez declined to be interviewed.

Bitcoin, the most widely traded cryptocurrency, was created in 2009 as a software program designed to run across a network of computers but without any central authority. As it expanded, exchanges were formed online that brought together buyers and sellers. Because all those exchanges operate independently, prices can vary widely.

Coinmarketcap.com takes all that information and produces one standard price quote, making it easier to track data across different exchanges.

It generally avoids news stories and analysis. Instead, the site focuses on data, tallying the overall market value of all cryptocurrencies and publishing the percentage of the market made up by bitcoin.

After receiving a bachelor's degree in computer science from Rochester Institute of Technology in 2009, Mr. Chez worked at **Lockheed Martin** Corp. and **Mediabistro** Inc., which runs a website for journalists, according to an earlier version of his LinkedIn profile, which has since been altered. The same year that he started coinmarketcap.com, he took a job as a software engineer at **Rocketrip** Inc., which helps companies manage business expenses. He left that job in 2015. Mediabistro confirmed his employment; Lockheed and Rocketrip didn't respond to a request for comment.

CoinMarketCap appears to make money by selling display advertising through **Alphabet** Inc.'s Google. A form through which potential advertisers can sign up says there is a "$20,000 minimum order" for campaigns.

—Lisa Schwartz contributed to this article.

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.

Tuesday, January 23, 2018

Stock	Sym	52-Wk Hi/Lo	% Chg
Highs			
ANGI Homesvcs	ANGI	13.81	2.1
Ansys	ANSS	163.22	-0.8
Abaxis	ABAX	64.45	2.6
AbbVie	ABBV	106.97	-1.0
Abercrombie&Fitch	ANF	23.53	2.8
Abiomed	ABMD	231.39	0.9
AcornIntl	ATV	21.17	-3.5
ActivisionBliz	ATVI	72.37	0.4
Acushnet	GOLF	21.66	1.2
AdamasPharm	ADMS	43.61	4.6
AdaptimmuneTher	ADAP	9.50	10.9
AdobeSystems	ADBE	204.45	1.1
AdverumBiotech	ADVM	5.75	4.9
AerCap	AER	54.83	0.1
AffiliatedMgrs	AMG	214.53	-0.5
AgilentTechs	A	74.08	-0.1
AgiosPharm	AGIO	80.10	1.1
AirTransportSvcs	ATSG	27.67	1.2
AlignTech	ALGN	276.99	1.9
AlleghenyTechs	ATI	30.25	5.6
Alphabet C	GOOG	1171.63	1.2
Alphabet A	GOOGL	1178.51	1.0
Amarin	AMRN	4.60	9.9
Amazon.com	AMZN	1364.90	2.7
Amdocs	DOX	70.46	0.3
AmEqtyLf	AEL	35.06	0.6
AmericanFin	AFG	112.81	0.9
AmerStWater	AWR	58.56	2.2
AmerisBancorp	ABCB	54.15	0.5
AmerisourceBrgn	ABC	103.67	0.1
Ametek	AME	77.38	0.7
Amgen	AMGN	196.03	-0.2
AmicusTherap	FOLD	17.40	7.2
AptoseBiosci	APTO	3.45	3.3
Aramark	ARMK	45.63	0.3
AresManagement	ARES	24.95	3.1
arGEN-X	ARGX	74.17	10.1
AristaNetworks	ANET	276.21	-0.9
ArrayBioPharma	ARRY	16.36	-0.4
AscendisPharma	ASND	54.38	0.8
AshlandGlobal	ASH	75.15	0.1
AspenAerogels	ASPN	5.41	5.5
AspenTech	AZPN	77.51	-1.7
AstraZeneca	AZN	36.27	0.4
AtaraBiotherap	ATRA	36.95	6.3
AtlanticCoastFin	ACFC	10.42	0.6
Autoliv	ALV	137.37	-0.1
AutoNation	AN	60.50	0.1
BOK Fin	BOKF	97.96	0.7
BRT Apartments	BRT	13.99	3.1
BancorpSouth	BXS	35.25	...
BankofAmWtA	BAC.WS.A	20.14	...
BankofAmWtB	BAC.WS.B	3.38	2.4
BankofAmerica	BAC	32.13	-0.1
BankUnited	BKU	43.84	0.2
BectonDicknsn	BDX	236.86	-0.8
BeiGene	BGNE	127.49	4.7
BerkHathwy B	BRK.B	216.35	-0.2
BerkHathwy A	BRK.A	324618	-0.4
BestBuy	BBY	78.59	-0.7
BigLots	BIG	63.09	-0.5
Bio-Techne	TECH	142.23	0.3
Biogen	BIIB	354.28	-0.3
BlackKnight	BKI	52.60	0.2
BlackhawkNtwk	HAWK	47.00	3.7
BlackRock	BLK	594.52	-0.6
BofI	BOFI	33.32	2.2
Bottomline	EPAY	37.37	0.3
BoydGaming	BYD	38.85	2.6
BrightHorizons	BFAM	98.25	0.5
BroadridgeFinl	BR	97.54	-0.2
BrookfieldBusPtr	BBU	39.30	1.0
Brown&Brown	BRO	53.72	-0.4
BurlingtonStrs	BURL	127.43	0.1
CBRE Group	CBG	46.03	0.5
CDW	CDW	75.79	0.8
CGI Group	GIB	55.30	2.1
CME Group	CME	156.02	-0.8
CRH	CRH	38.98	1.7
CRISPR Therap	CRSP	39.19	14.9
Curo	CURO	16.50	0.6
CadenceDesign	CDNS	45.94	0.1
CallidusSoftware	CALD	31.50	1.3
CanadaGoose	GOOS	35.41	6.3
Carters	CRI	121.40	1.4
Catalent	CTLT	44.84	2.4
CatalystBiosci	CBIO	21.89	2.7
CboeGlobalMkts	CBOE	134.96	0.2
CementosPacasm	CPAC	13.40	-1.4
Centene	CNC	112.33	-0.6
Chemed	CHE	269.90	0.2
CheniereEnergy	LNG	58.21	3.2
CheniereEnHldgs	CQH	28.85	0.5
ChinaYuchai	CYD	27.20	0.8
Cimpress	CMPR	137.34	...
Cintas	CTAS	165.28	-0.1
CiscoSystems	CSCO	42.13	1.1
CitizensFin	CFG	48.14	0.1
CitrixSystems	CTXS	94.44	0.2
Civeo	CVEO	3.81	6.6
CoastwayBancorp	CWAY	22.10	-0.2
Coca-Cola	KO	47.70	0.1
CognizantTech	CTSH	78.78	0.4
Cohbar	CWBR	6.60	1.0
CollegiumPharm	COLL	26.77	5.8
ColumbiaSportswr	COLM	75.50	1.2
Comerica	CMA	95.67	...
ComericaWt	CMA.WS	66.05	...
ConchoRscs	CXO	161.90	0.1
ConocoPhillips	COP	60.70	-0.3
CorceptTherap	CORT	25.70	3.0
CoStar	CSGP	350.79	2.4
CoupaSoftware	COUP	38.49	-1.8
Credicorp	BAP	234.71	1.1
CreditAcceptance	CACC	359.19	1.7
CreditSuisse	CS	19.38	-0.1
CrestwoodEquity	CEQP	28.95	-0.2
Crocs	CROX	14.42	1.3
Cummins	CMI	190.34	-0.6
CymaBayTherap	CBAY	10.88	2.7
CypressSemi	CY	17.90	0.3
CytomXTherap	CTMX	26.50	-1.0
DecipheraPharm	DCPH	28.32	0.7
DeckersOutdoor	DECK	88.43	2.0
DellTechs	DVMT	89.50	0.2
DiamondbkEner	FANG	133.90	0.1
DicernaPharma	DRNA	11.19	14.3
DollarGeneral	DG	103.99	0.9
DollarTree	DLTR	116.28	-0.3
Domino's	DPZ	221.65	1.5

Continued on Page B9

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:
▲-New 52-week high.
▼-New 52-week low.
dd-Indicates loss in the most recent four quarters.
FD-First day of trading.
h-Does not meet continued listing standards
lf-Late filing
q-Temporary exemption from Nasdaq requirements.
t-NYSE bankruptcy
v-Trading halted on primary market.
vj-In bankruptcy or receivership or being reorganized under the Bankruptcy Code, or securities assumed by such companies.

Wall Street Journal stock tables reflect composite regular trading as of 4 p.m. and changes in the closing prices from 4 p.m. the previous day.

Tuesday, January 23, 2018

Stock	Sym	Close	Net Chg
A B C			
ABB	ABB	28.16	0.12
AECOM	ACM	39.28	0.11
AES	AES	11.42	0.04
Aflac	AFL	88.08	0.39
AGNC Invt	AGNC	19.69	0.21
ANGI Homesvcs	ANGI	13.59	0.28
Ansys	ANSS	161.85	-1.28
ASML	ASML	205.43	-0.11
AT&T	T	37.19	-0.68
AbbottLabs	ABT	59.23	-0.34
AbbVie	ABBV	105.38	-1.11
Abiomed	ABMD	230.27	2.09
Accenture	ACN	160.88	-0.55
ActivisionBliz	ATVI	71.55	0.25
AcuityBrands	AYI	166.72	1.02
Adient	ADNT	72.85	0.11
AdobeSystems	ADBE	200.09	2.25
AdvanceAuto	AAP	119.10	1.07
AdvMicroDevices	AMD	12.94	0.29
AdvSemiEngg	ASX	7.25	-0.07
Aegon	AEG	6.89	-0.09
AerCap	AER	54.58	0.08
Aetna	AET	189.31	-0.03
AffiliatedMgrs	AMG	212.92	-1.05
AgilentTechs	A	73.44	-0.04
AgnicoEagle	AEM	46.48	0.56
AirProducts	APD	169.60	1.00
AkamaiTech	AKAM	66.00	0.35
AlaskaAir	ALK	69.47	0.92
Albemarle	ALB	113.00	-0.53
Alcoa	AA	52.49	-0.45
AlexandriaREst	ARE	127.67	0.35
AlexionPharm	ALXN	125.59	1.92
Alibaba	BABA	192.28	8.26
AlignTech	ALGN	272.16	5.06
Alkermes	ALKS	59.19	1.57
Alleghany	Y	615.79	12.46
Allegion	ALLE	85.35	-0.45
Allergan	AGN	188.06	-0.09
AllianceData	ADS	260.78	-1.07
AlliantEnergy	LNT	40.16	0.61
AllisonTransm	ALSN	44.47	-0.64
Allstate	ALL	101.25	-3.18
AllyFinancial	ALLY	30.35	-0.30
AlnylamPharm	ALNY	137.03	6.03
Alphabet A	GOOGL	1176.17	12.01
Alphabet C	GOOG	1169.97	14.16
Altaba	AABA	76.57	2.41
AlticeUSA	ATUS	22.83	0.93
Altria	MO	71.45	0.17
AlumofChina	ACH	18.59	-0.23
Amazon.com	AMZN	1362.54	35.23
Ambev	ABEV	6.71	-0.09
Amdocs	DOX	70.30	0.24
Amerco	UHAL	380.69	4.45
Ameren	AEE	56.07	0.77
AmericaMovil	AMX	18.32	-0.10
AmericaMovil A	AMOV	18.17	-0.09
AmerAirlines	AAL	58.29	0.19
AEP	AEP	68.77	0.64
AmerExpress	AXP	97.98	-0.34
AmericanFin	AFG	112.67	1.06
AIG	AIG	62.34	1.34
AmerTowerREIT	AMT	141.20	1.96
AmerWaterWorks	AWK	84.20	1.24
Ameriprise	AMP	178.31	0.37
AmerisourceBrgn	ABC	102.81	0.15
Ametek	AME	77.00	0.50
Amgen	AMGN	191.99	-0.34
Amphenol	APH	91.82	-0.16
AnadarkoPetrol	APC	60.94	0.22
AnalogDevices	ADI	96.47	-0.18
Andeavor	ANDV	118.62	-0.63
AndeavorLog	ANDX	54.27	0.51
AB InBev	BUD	114.50	-0.72
AnnalyCap	NLY	11.22	0.05
AnteroMidstream	AM	32.99	0.21
AnteroResources	AR	20.30	0.92
Anthem	ANTM	250.50	...
Aon	AON	137.42	1.44
Apache	APA	47.77	0.11
ApartmtInv	AIV	42.34	0.95
ApolloGlbMgmt	APO	35.39	0.73
Apple	AAPL	177.04	0.04
ApplMaterials	AMAT	57.79	0.33
Aptiv	APTV	92.83	-0.72
AquaAmerica	WTR	35.89	0.20
Aramark	ARMK	45.58	0.14
ArcelorMittal	MT	35.74	-1.20
ArchCapital	ACGL	93.38	0.63
ArcherDaniels	ADM	42.61	-0.14
Arconic	ARNC	30.30	-0.13
AristaNetworks	ANET	273.14	-2.54
ArrowElec	ARW	85.87	-0.55
AstraZeneca	AZN	36.07	0.13
Athene	ATH	52.20	0.10
Atlassian	TEAM	53.93	1.67
AtmosEnergy	ATO	82.26	0.86
Autodesk	ADSK	118.73	1.30
Autohome	ATHM	82.90	0.33
Autoliv	ALV	137.00	-0.15
ADP	ADP	122.10	-0.67
AutoZone	AZO	786.37	-2.33
Avalonbay	AVB	172.69	2.59
Avangrid	AGR	48.14	0.48
AveryDennison	AVY	119.74	-0.99
AxaltaCoating	AXTA	30.96	-0.05
BB&T	BBT	54.87	-0.01
BCE	BCE	46.45	-0.19
BHPBilliton	BHP	48.75	-0.69
BHPBilliton	BBL	44.05	-0.61
BOK Fin	BOKF	97.33	0.63
BP	BP	43.24	-0.15
BRF	BRFS	11.06	-0.47
BT Group	BT	18.64	-0.09
BWX Tech	BWXT	63.73	0.14
Baidu	BIDU	257.35	3.01
BakerHughes	BHGE	35.82	0.27
Ball	BLL	38.40	0.64
BancoBilbaoViz	BBVA	9.24	-0.02
BancodeChile	BCH	102.53	-1.83
BancoMacro	**BMA**	**107.49**	**-5.98**
BcoSantChile	BSAC	34.28	-0.32
BancoSantander	SAN	7.36	-0.06
BanColombia	CIB	43.19	0.02
BankofAmerica	BAC	31.92	-0.02
BankofMontreal	BMO	83.97	-0.03
BankNY Mellon	BK	57.72	...
BkNovaScotia	BNS	66.04	-0.05
BankofOzarks	OZRK	52.67	0.44
Barclays	BCS	11.74	...
BarrickGold	ABX	14.83	0.32
BaxterIntl	BAX	69.60	-0.60
BectonDicknsn	BDX	234.71	-2.00
Berkley	WRB	72.04	0.40
BerkHathwy B	BRK.B	215.56	-0.41
BerkHathwy A	BRK.A	322885	-1179.00
BerryGlobal	BERY	58.22	-0.17
BestBuy	BBY	77.52	-0.54
Bio-RadLab A	BIO	254.83	0.18
Biogen	BIIB	346.75	-0.89
BioMarinPharm	BMRN	92.39	0.68
Bioverativ	BIVV	103.16	-0.63
BlackKnight	BKI	52.50	0.10
BlackBerry	BB	13.53	0.25
BlackRock	BLK	589.68	-3.58
Blackstone	BX	35.83	0.83
BlueBuffaloPet	BUFF	33.21	-0.35
bluebirdbio	BLUE	200.20	5.55
Boeing	BA	335.59	-2.41
BorgWarner	BWA	56.11	-0.37
BostonProps	BXP	124.15	0.68
BostonSci	BSX	27.82	0.11
Braskem	BAK	30.90	-1.52
BrightHorizons	BFAM	98.09	0.52
BrighthouseFin	BHF	64.95	0.54
Bristol-Myers	BMY	63.43	0.15
BritishAmTob	BTI	71.36	1.05
Broadcom	AVGO	262.90	0.79
BroadridgeFinl	BR	96.65	-0.21
BrookfieldMgt	BAM	42.30	-0.08
BrookfieldInfr	BIP	42.99	0.32
Brown&Brown	BRO	52.05	-0.20
Brown-Forman B	BF.B	68.62	0.98
Brown-Forman A	BF.A	67.15	1.24
BuckeyePtrs	BPL	56.30	0.33
Bunge	BG	80.57	-1.54
BurlingtonStrs	BURL	126.74	0.08
CA	CA	34.75	0.03
CBD Pao	CBD	22.63	-0.82
CBRE Group	CBG	45.95	0.22
CBS B	CBS	57.52	-0.73
CBS A	CBS.A	57.59	-0.80
CDK Global	CDK	74.26	-0.07
CDW	CDW	75.60	0.59
CF Industries	CF	41.30	0.46
CGI Group	GIB	55.19	1.12
CH Robinson	CHRW	94.90	-0.53
CIT Group	CIT	51.93	-0.36
CME Group	CME	154.25	-1.20
CMS Energy	CMS	44.46	0.30
CNA Fin	CNA	54.96	0.56
CNOOC	CEO	159.69	0.76
CPFLEnergia	CPL	12.44	-0.17
CRH	CRH	38.87	0.65
CSX	CSX	57.10	-0.63
CVS Health	CVS	80.44	-0.01
CabotOil	COG	28.36	0.31
CadenceDesign	CDNS	45.75	0.06
CaesarsEnt	CZR	13.90	...
CalAtlantic	CAA	63.68	-0.67
CamdenProperty	CPT	87.07	1.39
CampbellSoup	CPB	47.57	-0.08
CIBC	CM	98.45	0.24
CanNtlRlwy	CNI	80.31	0.41
CanNaturalRes	CNQ	36.07	...
CanPacRlwy	CP	184.38	-1.47
Canon	CAJ	39.51	-0.06
CapitalOne	COF	105.71	0.22
CardinalHealth	CAH	73.21	-0.30
Carlisle	CSL	115.57	0.09
Carlyle	CG	24.50	-0.05
CarMax	KMX	70.54	-0.95
Carnival	CCL	68.51	-0.35
Carnival	CUK	68.98	-0.29
Caterpillar	CAT	169.43	-1.46
Cavium	CAVM	89.42	-0.43
CboeGlobalMkts	CBOE	134.81	0.25
Celanese A	CE	110.42	-0.70
Celgene	CELG	104.55	1.64
Cemex	CX	8.32	0.07
CenovusEnergy	CVE	10.54	0.15
Centene	CNC	110.97	-0.62
CenterPointEner	CNP	28.08	0.29
CentraisElBras	EBR	5.58	-0.28
CenturyLink	CTL	17.33	-0.34
Cerner	CERN	69.19	0.06
CharterComms	CHTR	369.25	-1.00
CheckPoint	CHKP	105.34	0.34
Chemours	CC	53.77	-0.72
CheniereEnergy	LNG	57.16	1.77
CheniereEnerPtrs	CQP	31.30	0.41
CheniereEnHldgs	CQH	28.64	0.14
Chevron	CVX	131.02	-1.54
ChinaEastrnAir	CEA	40.80	-1.05
ChinaLifeIns	LFC	16.80	0.19
ChinaLodging	**HTHT**	**152.38**	**-12.73**
ChinaMobile	CHL	52.33	0.36
ChinaPetrol	SNP	84.19	0.10
ChinaSoAirlines	ZNH	56.55	-0.78
ChinaTelecom	CHA	48.90	-0.13
ChinaUnicom	CHU	14.46	...
Chipotle	CMG	328.71	-1.29
Chubb	CB	153.29	3.50
ChunghwaTel	CHT	37.06	0.06
Church&Dwight	CHD	49.86	-0.25
Cigna	CI	219.79	-0.96
CimarexEnergy	XEC	125.05	-1.75
CincinnatiFin	CINF	77.01	1.08
Cintas	CTAS	164.90	-0.24
CiscoSystems	CSCO	42.10	0.44
Citigroup	C	78.55	-0.04
CitizensFin	CFG	47.87	0.06
CitrixSystems	CTXS	94.01	0.17
Clorox	CLX	143.52	-0.12
Coca-Cola	KO	47.45	0.07
Coca-Cola Euro	CCE	39.37	-0.38
Coca-Cola Femsa	KOF	76.56	0.57
Cognex	CGNX	69.62	0.62
CognizantTech	CTSH	78.26	0.30
Coherent	**COHR**	**282.59**	**-16.24**
ColgatePalm	CL	76.90	-0.48
Comcast A	CMCSA	42.44	-0.45
Comerica	CMA	95.25	0.04
CommerceBcshrs	CBSH	59.08	-0.09
CommScope	COMM	38.83	0.15
SABESP	SBS	10.85	-0.18
ConagraBrands	CAG	37.72	-0.05
ConchoRscs	CXO	160.53	0.12
ConocoPhillips	COP	60.47	-0.20
ConEd	ED	79.66	1.13
ConstBrands A	STZ	220.78	1.46
ContinentalRscs	CLR	57.04	0.52
Cooper	COO	238.70	-2.61
Copart	CPRT	44.99	-0.43
Corning	GLW	34.56	-0.15
CoStar	CSGP	350.22	8.27
Costco	COST	193.42	-0.96
Coty	COTY	20.77	-0.12
Credicorp	BAP	232.95	2.61
CreditAcceptance	CACC	359.00	6.10
CreditSuisse	CS	19.32	-0.02
CrownCastle	CCI	110.33	2.03
CrownHoldings	CCK	58.21	0.47
Ctrip.com	CTRP	44.83	-1.31
Cullen/Frost	CFR	102.08	0.07
Cummins	CMI	188.43	-1.15
D E F			
DISH Network	DISH	46.33	0.07
DTE Energy	DTE	104.67	1.31
DXC Tech	DXC	101.95	0.24
Danaher	DHR	99.95	-0.02
Darden	DRI	97.49	-0.57
DaVita	DVA	79.04	0.09
Deere	DE	168.66	-1.72
DellTechs	DVMT	89.11	0.18
DeltaAir	DAL	59.93	-0.20
DentsplySirona	XRAY	61.17	0.37
DeutscheBank	DB	19.47	0.08
DevonEnergy	DVN	44.52	-0.29
Diageo	DEO	146.12	0.81
DiamondbkEner	FANG	132.31	0.10
DigitalRealty	DLR	111.11	1.77
DiscoverFinSvcs	DFS	78.72	-0.15
DiscovComm C	DISCK	24.50	-0.59
DiscovComm B	DISCB	33.98	-0.02
DiscovComm A	DISCA	25.70	-0.63
Disney	DIS	110.41	-0.69
DolbyLab	DLB	64.67	0.63
DollarGeneral	DG	103.17	0.90
DollarTree	DLTR	114.70	-0.32
DominionEner	D	75.71	0.82
Domino's	DPZ	219.57	3.28
Donaldson	DCI	51.25	-0.04
DouglasEmmett	DEI	39.32	0.41
Dover	DOV	105.56	0.72
DowDuPont	DWDP	76.14	-0.04
DrPepperSnap	DPS	96.73	-0.03
DrReddy'sLab	RDY	39.54	0.40
DukeEnergy	DUK	77.71	0.76
DukeRealty	DRE	26.20	0.22
ENI	E	36.88	0.06
EOG Rscs	EOG	117.84	1.02
EQT	EQT	58.44	1.28
EQT Midstream	EQM	77.27	0.12
E*TRADE	ETFC	54.96	-0.02
EastWestBncp	EWBC	68.22	0.05
EastmanChem	EMN	97.96	0.19
Eaton	ETN	85.12	0.76
EatonVance	EV	60.41	-0.11
eBay	EBAY	39.77	0.19
Ecolab	ECL	137.76	-2.58
Ecopetrol	EC	18.95	0.73
EdisonIntl	EIX	62.04	-0.10
EdwardsLife	EW	124.40	-0.11
ElectronicArts	EA	117.67	-0.32
EmersonElec	EMR	73.12	-0.14
EnbridgeEnPtrs	EEP	15.20	-0.15
Enbridge	ENB	39.49	-0.15
Encana	ECA	13.55	-0.08
EnelAmericas	ENIA	11.67	0.04
EnelChile	ENIC	6.24	0.10
EnelGenChile	EOCC	28.07	0.05
EnergyTransferEq	ETE	19.18	0.64
EnergyTransfer	ETP	20.53	0.07
EnLinkMidPtrs	ENLK	18.42	0.34
Entergy	ETR	77.66	0.83
EnterpriseProd	EPD	29.39	-0.01
Equifax	EFX	124.99	-0.01
Equinix	EQIX	442.00	5.95
EquityLife	ELS	87.51	2.05
EquityResdntl	EQR	61.79	0.61
Ericsson	ERIC	7.16	-0.02
EssexProp	ESS	231.83	5.23
EsteeLauder	EL	136.72	1.85
EverestRe	RE	231.64	1.14
EversourceEner	ES	61.12	0.36
Exelixis	EXEL	30.40	0.96
Exelon	EXC	38.53	0.48
Expedia	EXPE	128.93	0.74
ExpeditorsIntl	EXPD	66.89	0.45
ExpressScripts	ESRX	81.15	0.03
ExtraSpaceSt	EXR	86.72	1.57
ExxonMobil	XOM	88.30	0.05
F5Networks	FFIV	142.59	1.53
FMC	FMC	88.88	-0.97
Facebook	FB	189.35	3.98
FactSet	FDS	197.78	-1.72
Fastenal	FAST	54.41	0.08
FederalRealty	FRT	124.74	0.37
FedEx	FDX	272.02	-1.87
Ferrari	RACE	118.93	-2.44
FiatChrysler	FCAU	24.09	-0.10
FibriaCelulose	FBR	16.96	0.02
FidNatlFin	FNF	41.66	0.06
FidNatlInfo	FIS	99.13	-0.06
FifthThirdBncp	FITB	32.92	0.15
58.com	WUBA	83.12	2.94
FirstAmerFin	FAF	61.69	-0.22
FirstData	FDC	18.15	-0.07
FirstHorizonNatl	FHN	20.11	0.01
FirstRepBank	FRC	90.97	1.09
FirstSolar	FSLR	68.48	-0.48
FirstEnergy	FE	32.00	-0.45
Fiserv	FISV	140.39	0.20
FleetCorTech	FLT	208.85	2.08
Flex	FLEX	19.10	-0.34
FlirSystems	FLIR	51.32	-0.56
Fluor	FLR	61.46	0.17
FomentoEconMex	FMX	96.67	0.63
FootLocker	FL	51.52	1.15
FordMotor	F	11.96	-0.06
ForestCIty A	FCE.A	23.83	-0.07
Fortinet	FTNT	45.75	-0.10
Fortis	FTS	35.18	0.01
Fortive	FTV	75.06	0.86
FortBrandsHome	FBHS	72.50	-0.34
Franco-Nevada	FNV	76.39	0.47
FranklinRscs	BEN	45.51	0.16
FreeportMcM	FCX	19.55	-0.44
FreseniusMed	FMS	56.38	0.84
G H I			
GGP	GGP	23.60	0.43
Gallagher	AJG	64.56	-0.19
Gaming&Leisure	GLPI	36.49	0.09
Gap	GPS	35.46	-0.02
GardnerDenver	GDI	36.69	0.50
Garmin	GRMN	64.52	0.48
Gartner	IT	139.21	0.76
Gazit-Globe	GZT	10.47	0.17
GeneralDynamics	GD	207.48	-0.72
GeneralElec	GE	16.89	0.72
GeneralMills	GIS	59.79	0.02
GeneralMotors	GM	43.38	0.09
Genpact	G	34.38	-0.11
Gentex	GNTX	22.48	-0.30
GenuineParts	GPC	104.73	0.60
Gerdau	GGB	4.26	-0.11
Gildan	GIL	33.87	0.31
GileadSciences	GILD	80.95	-0.46
GSK	GSK	38.69	0.13
GlobalPayments	GPN	109.89	0.79
GoDaddy	GDDY	53.10	0.78
Goldcorp	GG	14.78	0.33
GoldmanSachs	GS	260.09	-1.43
Goodyear	GT	35.20	-0.42
Graco	GGG	49.05	1.13
Grainger	GWW	229.45	-0.41
GreatPlainsEner	GXP	31.20	0.53
Grifols	GRFS	24.89	-0.01
GrubHub	GRUB	71.16	-0.76
GpoAvalAcc	AVAL	9.10	0.04
GpoFinGalicia	GGAL	69.47	-0.32
GpFinSantMex	BSMX	7.70	...
GrupoTelevisa	TV	20.62	0.15
HCA Healthcare	HCA	91.73	-1.13
HCP	HCP	24.28	0.63
HDFC Bank	HDB	107.45	1.41
HD Supply	HDS	38.64	-0.13
HP	HPQ	23.81	-0.04
HSBC	HSBC	55.46	-0.01
Halliburton	HAL	56.83	0.43
Hanesbrands	HBI	22.98	-0.02
HarleyDavidson	HOG	54.07	0.26
Harris	HRS	142.41	-0.78
HartfordFinl	HIG	56.67	0.62
Hasbro	HAS	94.56	3.70
Heico	HEI	77.50	-0.27
Heico A	HEI.A	63.45	-0.30
Helm&Payne	HP	71.57	0.45
HenrySchein	HSIC	76.30	-0.11
Herbalife	HLF	77.36	2.36
Hershey	HSY	110.81	0.85
Hess	HES	53.62	0.15
HewlettPackard	HPE	16.67	0.62
Hilton	HLT	86.53	0.76
HollyFrontier	HFC	51.72	-0.02
Hologic	HOLX	42.95	-0.29
HomeDepot	HD	204.90	0.44
HondaMotor	HMC	36.47	0.29
Honeywell	HON	159.59	1.05
HormelFoods	HRL	34.94	0.06
DR Horton	DHI	52.38	0.01
HostHotels	HST	21.30	0.49
HuanengPower	HNP	26.32	-0.19
Hubbell	HUBB	137.53	-1.03
Humana	HUM	282.86	0.99
JBHunt	JBHT	125.59	0.20
HuntingtonBcshs	HBAN	16.04	0.01
HuntingIngalls	HII	235.04	-3.84
Huntsman	HUN	34.84	0.10
HyattHotels	H	81.47	1.59
IAC/InterActive	IAC	143.61	2.67
ICICI Bank	IBN	11.09	0.13
IdexxLab	IDXX	182.23	1.28
IHSMarkit	INFO	48.51	0.14
ING Groep	ING	20.19	-0.38
Invesco	IVZ	37.61	-0.26
IPG Photonics	IPGP	263.34	2.59
IQVIA	IQV	103.21	0.37
IRSA Prop	IRCP	55.94	-1.03
IcahnEnterprises	IEP	57.98	0.68
Icon	ICLR	114.10	1.42
IDEX	IEX	137.69	-0.02
IllinoisToolWks	ITW	173.06	-0.33
Illumina	ILMN	242.94	-2.25
ImperialOil	IMO	32.53	0.39
Incyte	INCY	94.63	0.55
Infosys	INFY	18.45	0.16
Ingersoll-Rand	IR	91.77	1.93
Ingredion	INGR	140.96	0.10
Intel	INTC	46.06	0.31
InteractiveBrkrs	IBKR	65.10	1.43
ICE	ICE	75.79	-0.04
InterContinentl	IHG	68.90	0.15
IBM	IBM	166.25	3.65
IntlFlavors	IFF	153.01	-0.05
IntlPaper	IP	63.32	-0.14
Interpublic	IPG	21.73	-0.23
Intuit	INTU	168.46	-0.21
IntuitiveSurgical	ISRG	439.55	5.61
InvitatHomes	INVH	22.90	0.47
IonisPharma	IONS	51.82	0.12
IronMountain	IRM	36.35	0.54
IsraelChemicals	ICL	4.35	-0.02
ItauUnibanco	ITUB	14.90	-0.22
J K L			
JD.com	JD	45.18	-0.08
JPMorganChase	JPM	114.21	-0.12
JackHenry	JKHY	126.00	0.68
JacobsEngg	JEC	69.88	-0.35
JamesHardie	JHX	17.34	0.15
JanusHenderson	JHG	40.96	-0.15
JazzPharma	JAZZ	153.04	0.62
JetBlue	JBLU	22.53	-0.06
J&J	JNJ	141.83	-6.31
JohnsonControls	JCI	40.47	1.27
JonesLang	JLL	156.14	0.29
JuniperNetworks	JNPR	28.13	-0.23
JunoTherap	JUNO	85.86	-0.14
KAR Auction	KAR	54.33	-0.12
KB Fin	KB	63.60	1.81
KKR	KKR	23.76	0.74
KLA Tencor	KLAC	116.01	1.42
KT	KT	15.89	0.01
KSCitySouthern	KSU	111.66	0.70
Kellogg	K	66.93	-0.24
KeyCorp	KEY	21.61	0.22
KeysightTechs	KEYS	46.55	0.07
KilroyRealty	KRC	71.97	0.58
KimberlyClark	KMB	117.84	0.93
KimcoRealty	KIM	16.60	0.02
KinderMorgan	KMI	19.45	-0.18
Knight-Swift	KNX	46.44	-0.23
Kohl's	KSS	68.83	0.66
KoninklijkePhil	PHG	40.88	0.07
KoreaElcPwr	KEP	16.36	0.12
KraftHeinz	KHC	80.27	0.10
Kroger	KR	29.31	-0.32
Kyocera	KYO	69.19	0.22
LATAMAirlines	LTM	16.50	-0.29
L Brands	LB	53.20	1.16
LG Display	**LPL**	**15.59**	**1.33**
LINE	LN	45.71	0.21
LKQ	LKQ	43.13	0.28
L3 Tech	LLL	209.20	-0.60
LabCpAm	LH	175.78	-0.48
LamResearch	LRCX	215.07	5.88
LamarAdv	LAMR	73.05	0.30
LambWeston	LW	60.32	0.02
LasVegasSands	LVS	77.66	0.56
Lazard	LAZ	58.81	-0.12
Lear	LEA	188.44	-1.81
Leggett&Platt	LEG	47.35	-0.74
Leidos	LDOS	66.94	-0.19
Lennar A	LEN	70.93	-0.80
Lennar B	LEN.B	57.78	-0.27
LennoxIntl	LII	215.43	-0.19
LeucadiaNatl	LUK	27.64	-0.27
LibertyBroadbandC	LBRDK	94.41	0.21
LibertyBroadbandA	LBRDA	93.96	0.15
LibertyGlobal C	LBTYK	35.30	-0.29
LibertyGlobal A	LBTYA	37.16	-0.43
LibertyQVC A	QVCA	27.64	0.17
LibertyVenturesA	LVNTA	59.08	-0.12
LibertyFormOne C	FWONK	37.42	0.11
LibertyFormOne A	FWONA	35.50	0.05
LibertyBraves A	BATRA	24.14	0.14
LibertyBraves C	BATRK	24.11	0.14
LibertySirius C	LSXMK	42.11	0.23
LibertySirius A	LSXMA	42.31	0.38
LibertyProperty	LPT	42.12	0.36
EliLilly	LLY	84.42	-1.02
LincolnElectric	LECO	99.81	-0.32
LincolnNational	LNC	82.90	-0.45
LionsGate B	LGF.B	33.14	-0.27
LionsGate A	LGF.A	34.88	-0.36
LiveNationEnt	LYV	44.00	0.54
LloydsBanking	LYG	4.13	0.02
LockheedMartin	LMT	328.70	-0.30
Loews	L	52.90	0.10
LogitechIntl	**LOGI**	**41.66**	**4.08**
LogMeIn	LOGM	122.95	3.35
Lowe's	LOW	107.11	0.41
lululemon	LULU	79.70	0.74
LyondellBasell	LYB	118.43	-0.51
M N			
M&T Bank	MTB	188.83	0.07
MGM Resorts	MGM	37.02	-0.10
MPLX	MPLX	39.01	-0.11
MSCI	MSCI	140.10	0.83
Macerich	MAC	68.86	2.86
Macy's	M	27.36	0.11
MagellanMid	MMP	75.19	0.78
MagnaIntl	MGA	58.77	0.80
Manpower	MAN	132.79	-1.40
ManulifeFin	MFC	21.76	-0.17
MarathonOil	MRO	19.22	-0.06
MarathonPetrol	MPC	73.12	-0.04
Markel	MKL	1127.66	6.15
MarketAxess	MKTX	195.98	-5.28
Marriott	MAR	145.80	1.99
Marsh&McLen	MMC	82.96	0.25
MartinMarietta	MLM	231.42	4.71
MarvellTech	MRVL	23.53	-0.09
Masco	MAS	45.46	-0.41
Mastercard	MA	167.19	-1.09
MatchGroup	MTCH	34.58	0.75
MaximIntProducts	MXIM	58.00	0.61
McCormickVtg	MKC.V	99.19	-0.74
McCormick	MKC	98.89	-0.24
McDonalds	MCD	176.81	0.60
McKesson	MCK	170.60	-2.36
Medtronic	MDT	85.23	-0.82
MelcoResorts	MLCO	28.85	-0.69
MercadoLibre	MELI	355.43	3.16
Merck	MRK	61.70	0.45
MetLife	MET	53.61	-0.24
MettlerToledo	MTD	667.15	-3.73
MichaelKors	KORS	66.96	1.26
MicroFocus	MFGP	30.40	0.10
MicrochipTech	MCHP	98.52	-0.17
MicronTech	MU	43.95	1.07
Microsemi	**MSCC**	**62.35**	**3.38**
Microsoft	MSFT	91.90	0.29
MidAmApt	MAA	95.00	1.75
Middleby	MIDD	137.04	-1.71
MitsubishiUFJ	MTU	8.02	0.02
MizuhoFin	MFG	3.95	0.02
MobileTeleSys	MBT	11.74	0.34
MohawkInds	MHK	278.81	-0.75
MolsonCoors B	TAP	83.26	-0.80
Mondelez	MDLZ	44.50	0.22
Monsanto	MON	121.55	0.56
MonsterBev	MNST	68.45	0.68
Moody's	MCO	160.84	0.37
MorganStanley	MS	56.91	-0.45
Mosaic	MOS	27.30	0.64
MotorolaSol	MSI	96.76	-0.57
Mylan	MYL	46.85	-0.79
NRG Energy	NRG	27.14	0.22
NTTDoCoMo	DCM	24.78	0.16
NVR	NVR	3640.42	-14.58
NXP Semi	NXPI	120.85	-0.23
Nasdaq	NDAQ	80.21	-0.42
NationalGrid	NGG	57.77	-0.12
NatlInstruments	NATI	46.46	0.15
NatlOilwell	NOV	38.73	-0.01
NatlRetailProp	NNN	41.23	0.50
NektarTherap	NKTR	77.79	1.01
NetApp	NTAP	63.84	0.32
Netease	NTES	334.57	3.07
Netflix	**NFLX**	**250.29**	**22.71**
Neurocrine	NBIX	87.87	2.68
NewOrientalEduc	**EDU**	**90.10**	**-8.84**
NY CmntyBcp	NYCB	13.91	-0.07
NewellBrands	NWL	31.65	0.11
NewfieldExpln	NFX	33.86	-0.28
NewmontMin	NEM	40.32	0.66
NewsCorp B	NWS	17.35	-0.20
NewsCorp A	NWSA	17.07	-0.11
NextEraEnergy	NEE	152.72	2.70
Nike	NKE	67.14	0.75
NiSource	NI	24.17	0.22
NobleEnergy	NBL	33.13	0.19
Nokia	NOK	4.92	0.02
NomuraHoldings	NMR	6.75	0.03
Nordson	NDSN	149.87	-0.12
Nordstrom	JWN	52.00	-0.82
NorfolkSouthern	NSC	151.66	0.19
NorthernTrust	NTRS	106.89	-0.54
NorthropGrum	NOC	313.48	-1.66
NorwegCruise	NCLH	58.33	-1.04
Novartis	NVS	87.21	0.21
NovoNordisk	NVO	57.94	-0.01
Nucor	NUE	68.98	-0.01
NVIDIA	NVDA	238.91	5.22
O P Q			
OGE Energy	OGE	31.86	0.29
ONEOK	OKE	60.48	0.60
OReillyAuto	ORLY	271.21	-1.09
OccidentalPetrol	OXY	77.42	-0.21
OldDomFreight	ODFL	149.23	0.13
Olin	OLN	36.37	-0.57
Omnicom	OMC	75.50	-0.86
ON Semi	ON	25.15	-0.22
OpenText	OTEX	34.08	0.32
Oracle	ORCL	51.12	0.41
Orange	ORAN	18.28	0.11
OrbitalATK	OA	132.47	-0.37
Orix	IX	99.93	1.31
Oshkosh	OSK	94.09	0.11
OwensCorning	OC	95.73	-0.63
PG&E	PCG	43.84	-0.10
PLDT	PHI	29.75	0.32
PNC Fin	PNC	155.77	0.05
POSCO	PKX	88.17	-1.14
PPG Ind	PPG	117.25	0.47
PPL	PPL	31.77	0.28
PTC	PTC	74.48	1.63
PVH	PVH	151.08	2.73
Paccar	PCAR	77.36	-0.28
PackagingCpAm	PKG	126.48	-0.77
PacWestBancorp	PACW	53.74	-0.01
PaloAltoNtwks	PANW	159.53	5.66
ParkHotels	PK	29.80	0.46
ParkerHannifin	PH	209.33	-0.90
ParsleyEnergy	PE	29.26	0.10
Paychex	PAYX	69.99	0.29
PayPal	PYPL	84.21	0.23
Pearson	PSO	9.66	0.02
PembinaPipeline	PBA	35.11	0.02
Pentair	PNR	73.17	-0.77
People'sUtdFin	PBCT	20.06	0.04
PepsiCo	PEP	121.30	-0.21
PerkinElmer	PKI	81.43	0.23
Perrigo	PRGO	93.99	0.55
PetroChina	PTR	76.29	0.60
PetroleoBrasil	PBR	12.05	-0.20
PetroleoBrasilA	PBR.A	11.34	-0.26
Pfizer	PFE	36.82	-0.11
PhilipMorris	PM	109.53	0.72
Phillips66	PSX	106.90	0.24
PilgrimPride	PPC	30.97	-0.25
PinnacleFoods	PF	60.84	0.04
PinnacleWest	PNW	79.89	0.93
PioneerNatRscs	PXD	186.01	-0.29
PlainsAllAmPipe	PAA	22.91	-0.14
PlainsGP	PAGP	23.11	-0.05
PolarisIndustries	PII	134.46	0.62
Praxair	PX	159.23	-1.39
Priceline	PCLN	1962.94	47.17
PrincipalFin	PFG	73.56	-0.41
Procter&Gamble	PG	89.05	-2.84
Progressive	PGR	57.05	-1.17
Prologis	PLD	64.97	1.86
PrudentialFin	PRU	124.20	-0.13
Prudential	PUK	54.76	-0.26
PublicServiceEnt	PEG	50.72	0.68
PublicStorage	PSA	198.09	4.31
PulteGroup	PHM	34.93	-0.22
Qiagen	QGEN	33.55	0.50
Qorvo	QRVO	67.32	0.98
Qualcomm	QCOM	68.34	-0.33
QuantaServices	PWR	38.87	-0.22
QuestDiag	DGX	103.12	-0.45
R S			
RELX	RENX	22.38	0.17
RELX	RELX	22.92	0.04
RPM	RPM	53.10	0.23
RSP Permian	RSPP	41.96	-0.79
RalphLauren	RL	115.85	0.96
RandgoldRscs	GOLD	100.03	1.13
RaymondJames	RJF	96.57	0.01
Raytheon	RTN	196.23	-0.14
RealtyIncome	O	54.53	0.67
RedHat	RHT	128.15	0.14
RegencyCtrs	REG	64.59	0.28
RegenPharm	REGN	381.71	5.85
RegionsFin	RF	19.36	0.20
ReinsGrp	RGA	162.50	-0.82
RelianceSteel	RS	90.60	-0.51
RepublicSvcs	RSG	68.28	...
ResMed	**RMD**	**100.35**	**12.84**
RestaurantBrands	QSR	61.32	0.10
RioTinto	RIO	55.66	-0.79
RobertHalf	RHI	57.06	-0.39
Rockwell	ROK	204.69	0.76
RockwellCollins	COL	137.45	0.10
RogersComm B	RCI	49.86	-0.43
Rollins	ROL	47.88	...
RoperTech	ROP	276.63	0.56
RossStores	ROST	84.58	0.10
RoyalBkCanada	RY	86.41	-0.34
RoyalBkScotland	RBS	8.46	-0.02
RoyalCaribbean	RCL	127.22	-1.48
RoyalDutchA	RDS.A	71.02	-0.02
RoyalDutchB	RDS.B	73.23	0.06
Ryanair	RYAAY	123.71	2.77
SAP	SAP	114.27	1.49
S&P Global	SPGI	182.93	0.78
SBA Comm	SBAC	168.25	0.60
SEI Investments	SEIC	76.67	-0.50
Sina	SINA	119.78	0.68
SINOPEC	SHI	61.93	-0.47
SK Telecom	SKM	28.37	-0.04
SLGreenRealty	SLG	97.15	1.19
SS&C Tech	SSNC	50.44	0.47
SVB Fin	SIVB	261.34	1.99
SageTherap	**SAGE**	**180.53**	**11.86**
Salesforce.com	CRM	113.24	0.35
Sanofi	SNY	43.74	0.54
SantanderCons	SC	18.56	0.14
Sasol	SSL	36.09	-0.53
Scana	**SCG**	**41.16**	**-2.20**
Schlumberger	SLB	79.21	-0.58
SchwabC	SCHW	55.32	-0.12
ScottsMiracleGro	SMG	106.86	-0.07
ScrippsNetworks	SNI	88.19	-0.58
Seagate	STX	54.06	0.90
SealedAir	SEE	49.00	0.03
SeattleGenetics	SGEN	56.76	0.47
SemicondctrMfg	SMI	7.45	-0.07
SempraEnergy	SRE	106.22	1.17
SensataTech	ST	56.00	0.57
ServiceCorp	SCI	39.50	0.08
ServiceMaster	SERV	54.01	0.98
ServiceNow	NOW	144.43	0.53
ShawComm B	SJR	21.83	0.05
SherwinWilliams	SHW	429.21	2.03
ShinhanFin	SHG	49.59	0.50
Shire	SHPG	147.60	-0.01
Shopify	SHOP	118.69	-0.74
SignatureBank	SBNY	156.47	-1.81
SimonProperty	SPG	166.33	0.23
SiriusXM	SIRI	5.68	0.03
SkechersUSA	SKX	40.95	0.41
Skyworks	SWKS	99.37	0.65
SmithAO	AOS	66.80	-0.20
Smith&Nephew	SNN	35.68	0.59
Smucker	SJM	128.04	0.66
Snap	SNAP	14.25	0.08
SnapOn	SNA	183.20	0.51
SOQUIMICH	SQM	56.36	-1.48
Sony	SNE	50.42	-0.38
Southern	SO	44.47	0.43
SoCopper	SCCO	49.16	-0.93
SouthwestAir	LUV	65.26	0.37
SpectraEnerPtrs	SEP	43.46	0.06
SpectrumBrands	SPB	124.75	1.13
SpiritAeroSys	SPR	99.59	-0.46
Splunk	SPLK	92.42	1.01
Sprint	S	5.30	-0.02
Square	SQ	45.01	-0.28
StanleyBlackDck	SWK	173.89	-1.34
Starbucks	SBUX	61.69	0.28
StateStreet	STT	112.18	3.19
Statoil	STO	23.60	-0.08
SteelDynamics	STLD	46.36	-0.21
Stericycle	SRCL	70.56	-0.43
Steris	STE	91.61	-0.24
STMicroelec	STM	24.60	-0.32
Stryker	SYK	161.94	-0.58
SumitomoMits	SMFG	9.60	...
SunComms	SUI	91.46	2.29
SunLifeFinancial	SLF	44.09	-0.06
SuncorEnergy	SU	37.65	0.38
SunTrustBanks	STI	70.32	0.44
Symantec	SYMC	26.61	0.07
SynchronyFin	SYF	39.78	0.26
Synopsys	SNPS	93.38	0.42
SynovusFin	SNV	51.08	0.30
Sysco	SYY	63.34	-0.25
T U V			
TAL Education	TAL	27.91	-0.75
TD Ameritrade	AMTD	56.59	0.71
TE Connectivity	TEL	100.70	-0.56
Telus	TU	37.40	-0.29
Ternium	TX	32.96	-0.28
TIM Part	TSU	19.52	-0.45
TJX	TJX	79.32	-0.14
T-MobileUS	TMUS	64.53	0.59
TRowePrice	TROW	118.08	0.68
TaiwanSemi	TSM	46.28	-0.10
TakeTwoSoftware	TTWO	116.81	-1.59
Tapestry	TPR	47.58	0.07
TargaResources	TRGP	51.03	0.03
Target	TGT	78.12	-0.46
TataMotors	TTM	32.34	-0.54
TechnipFMC	FTI	34.45	-0.14
TeckRscsB	TECK	28.57	-0.54
TelecomArgentina	TEO	39.28	-0.21
TelecomItalia	TI	9.17	0.03
TelecomItalia A	TI.A	7.73	0.03
TeledyneTech	TDY	192.00	0.96
Teleflex	TFX	273.90	-0.85
TelefonicaBras	VIV	15.49	-0.23
Telefonica	TEF	10.36	0.08
TelekmIndonesia	TLK	30.84	-0.41
Tenaris	TS	35.90	0.11
Teradyne	TER	48.42	0.65
Tesla	TSLA	352.79	1.23
TevaPharm	TEVA	20.95	-0.07
TexasInstruments	TXN	119.89	0.45
Textron	TXT	59.10	0.01
ThermoFisherSci	TMO	214.55	-0.77
ThomsonReuters	TRI	43.28	-0.22
ThorIndustries	THO	156.57	-0.28
3M	MMM	246.31	-0.99
Tiffany	TIF	108.86	-1.02
TimeWarner	TWX	93.66	-0.34
Toll Bros	TOL	52.23	-0.31
Torchmark	TMK	92.77	-0.01
Toro	TTC	66.65	-0.36
TorontoDomBk	TD	59.93	0.21
Total	TOT	58.47	-0.39
TotalSystem	TSS	83.92	0.17
ToyotaMotor	TM	139.28	-0.12
TractorSupply	TSCO	81.04	-0.90
TransCanada	TRP	47.86	-0.18
TransDigm	TDG	300.37	3.52
TransUnion	TRU	59.95	0.26
Travelers	TRV	146.26	6.91
Trimble	TRMB	45.08	0.59
TurkcellIletism	TKC	11.13	0.47
TurquoiseHill	TRQ	3.26	-0.11
21stCenturyFoxA	FOXA	37.51	0.20
21stCenturyFoxB	FOX	37.19	0.23
Twitter	TWTR	22.75	-0.57
TylerTech	TYL	199.07	1.39
TysonFoods	TSN	81.13	0.24
UBS Group	UBS	20.44	0.17
UDR	UDR	37.03	0.67
UGI	UGI	46.54	0.35
US Foods	USFD	32.89	-0.61
UltaBeauty	ULTA	228.79	-6.22
UltSoftware	ULTI	227.44	0.24
UltraparPart	UGP	24.55	-0.23
UnderArmour A	UAA	14.99	0.44
UnderArmour C	UA	13.59	0.31
Unilever	UN	57.91	0.24
Unilever	UL	57.35	0.32
UnionPacific	UNP	141.36	-0.61
UnitedContinental	UAL	77.97	1.10
UPS B	UPS	132.07	-0.79
UnitedRentals	URI	185.87	-1.25
US Bancorp	USB	57.18	-0.08
US Steel	X	40.06	0.75
UnitedTech	UTX	136.03	0.82
UnitedTherap	UTHR	142.72	-0.74
UnitedHealth	UNH	245.21	1.65
UnivDisplay	OLED	189.35	-9.65
UniversalHealthB	UHS	117.25	-0.56
UnumGroup	UNM	56.20	0.10
VEON	VEON	3.93	-0.01
VEREIT	VER	7.39	-0.06
VF	VFC	80.87	0.45
Visa	V	124.65	0.32
VailResorts	MTN	233.12	1.38
Vale	VALE	12.70	-0.62
ValeantPharm	VRX	22.30	0.27
ValeroEnergy	VLO	98.69	-0.26
VarianMed	VAR	110.81	0.79
Vedanta	VEDL	21.39	0.58
VeevaSystems	VEEV	60.06	1.89
Ventas	VTR	55.95	1.46
VeriSign	VRSN	115.77	1.31
VeriskAnalytics	VRSK	99.25	-0.27
Verizon	VZ	53.23	-0.23
VertxPharm	VRTX	166.58	4.67
Viacom B	VIAB	33.39	-0.55
Viacom A	VIA	38.95	-0.35
Vipshop	VIPS	15.99	-0.01
VistraEnergy	VST	19.23	-0.01
VMware	VMW	137.96	1.27
Vodafone	VOD	32.32	0.16
VornadoRealty	VNO	73.49	0.37
VoyaFinancial	VOYA	54.24	0.07
VulcanMatls	VMC	134.88	1.88
W X Y Z			
WABCO	WBC	157.74	-0.26
WEC Energy	WEC	63.58	0.57
WEX	WEX	148.72	1.12
W.P.Carey	WPC	66.27	0.91
WPP	WPP	92.91	-2.41
WPX Energy	WPX	15.51	0.14
Wabtec	WAB	82.71	0.21
Wal-Mart	WMT	105.90	0.45
WalgreensBoots	WBA	77.02	-0.38
WasteConnections	WCN	72.23	-0.30
WasteMgt	WM	88.60	-0.06
Waters	WAT	210.99	-3.78
Watsco	WSO	176.16	1.22
Wayfair	W	90.18	-0.46
Weibo	WB	131.73	0.60
WellCareHealth	WCG	218.77	0.42
WellsFargo	WFC	64.49	-0.24
Welltower	HCN	60.32	0.99
WestPharmSvcs	WST	100.38	0.10
WestarEnergy	WR	51.46	0.64
WestAllianceBcp	WAL	59.88	0.13
WesternDigital	WDC	87.34	1.10
WesternGasEquity	WGP	42.51	0.60
WesternGasPtrs	WES	53.93	0.19
WesternUnion	WU	20.73	0.18
WestlakeChem	WLK	111.12	1.26
WestpacBanking	WBK	24.87	0.14
WestRock	WRK	68.41	-0.37
Weyerhaeuser	WY	36.61	0.63
WheatonPrecMet	WPM	22.05	0.35
Whirlpool	WHR	171.98	5.33
Williams	WMB	33.15	0.30
WilliamsPartners	WPZ	43.47	-0.02
WillisTowers	WLTW	157.87	3.27
Wipro	WIT	5.42	-0.04
WooriBank	WF	48.40	1.15
Workday	WDAY	117.21	1.91
Worldpay	WP	78.54	-1.20
Wyndham	WYN	127.33	-0.02
WynnResorts	WYNN	194.95	-0.28
XPO Logistics	XPO	96.38	-0.74
XcelEnergy	XEL	45.72	0.49
Xerox	XRX	32.58	-0.06
Xilinx	XLNX	75.54	0.10
Xylem	XYL	72.61	-0.04
YPF	YPF	25.56	0.28
YY	YY	136.76	1.39
Yandex	YNDX	38.03	0.06
YumBrands	YUM	85.84	0.93
YumChina	YUMC	47.94	0.36
ZTO Express	ZTO	16.49	0.28
ZayoGroup	ZAYO	36.20	-0.11
ZebraTech	ZBRA	125.68	1.39
Zillow A	ZG	43.72	0.70
Zillow C	Z	43.72	0.79
ZimmerBiomet	ZBH	124.51	-1.69
ZionsBancorp	ZION	54.17	0.01
Zoetis	ZTS	77.59	0.11

BANKRATE.COM® MMA, Savings and CDs

Average Yields of Major Banks

Tuesday, January 23, 2018

Type	MMA	1-MO	2-MO	3-MO	6-MO	1-YR	2-YR	2.5YR	5YR
National average									
Savings	0.13	0.07	0.07	0.14	0.21	0.37	0.53	0.50	0.96
Jumbos	0.27	0.07	0.07	0.15	0.23	0.40	0.57	0.57	1.01
Weekly change									
Savings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	-0.02
Jumbos	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	-0.02

Consumer Savings Rates

Explanation of ratings: Safe Sound SM, (855) 733-0700, evaluates the financial condition of federally insured institutions and assigns a rank of **1,2,3,4 or 5** based on data from the fourth quarter of 2015 from federal regulators. **5:** most desirable performance; **NR:** institution is too new to rate, not an indication of financial strength or weakness. Information is believed to be reliable, but not guaranteed.

High yield savings

Bank/rank Phone number	Minimum	Yield (%)
Money market and savings account		
ableBanking, a division of Northeast Bank /5 (877) 505-1933	$250	1.70
DollarSavingsDirect /4 (866) 395-8693	$1	1.60
CIT Bank /5 (855) 462-2652	$100	1.55
One-month CD		
EH National Bank /5 (888) 392-5265	$0	0.81
M.Y. Safra Bank, FSB /NR (212) 652-7200	$5,000	0.30
VirtualBank /4 (877) 998-2265	$10,000	0.15
Two-month CD		
VirtualBank /4 (877) 998-2265	$10,000	0.15
Applied Bank /5 (800) 616-4605	$1,000	0.05
Three-month CD		
Luana Savings Bank /5 (800) 666-2012	$1,000	1.31
First Internet Bank of Indiana /4 (888) 873-3424	$1,000	1.16
M.Y. Safra Bank, FSB /NR (212) 652-7200	$5,000	1.16
Six-month CD		
VirtualBank /4 (877) 998-2265	$10,000	1.56
My eBanc, A Division of BAC Florida Bank /4 (855) 512-0989	$5,000	1.50
First Internet Bank of Indiana /4 (888) 873-3424	$1,000	1.48
One-year CD		
VirtualBank /4 (877) 998-2265	$10,000	2.11
ableBanking, a division of Northeast Bank /5 (888) 426-2253	$1,000	2.00
Synchrony Bank /5 (800) 903-8154	$2,000	2.00
Two-year CD		
VirtualBank /4 (877) 998-2265	$10,000	2.33
Northern Bank Direct /4 (844) 348-8996	$500	2.26
EverBank /4 (855) 228-6755	$5,000	2.11
Five-year CD		
VirtualBank /4 (877) 998-2265	$10,000	2.58
First Internet Bank of Indiana /4 (888) 873-3424	$1,000	2.53
M.Y. Safra Bank, FSB /NR (212) 652-7200	$5,000	2.52

High yield jumbos - Minimum is $100,000

Bank/rank Phone number	Yield (%)
Money market and savings account	
ableBanking, a division of Northeast Bank /5 (877) 505-1933	1.70
Discover Bank /5 (877) 505-4051	1.30
M.Y. Safra Bank, FSB /NR (212) 652-7200	1.26
One-month CD	
EH National Bank /5 (888) 392-5265	0.81
M.Y. Safra Bank, FSB /NR (212) 652-7200	0.30
USAA /NR (800) 583-8295	0.22
Two-month CD	
VirtualBank /4 (877) 998-2265	0.15
Applied Bank /5 (800) 616-4605	0.05
Citizens Trust Bank /4 (404) 659-5959	0.01
Three-month CD	
Luana Savings Bank /5 (800) 666-2012	1.46
M.Y. Safra Bank, FSB /NR (212) 652-7200	1.16
First Internet Bank of Indiana /4 (888) 873-3424	1.16
Six-month CD	
Luana Savings Bank /5 (800) 666-2012	1.61
VirtualBank /4 (877) 998-2265	1.56
My eBanc, A Division of BAC Florida Bank /4 (855) 512-0989	1.50
One-year CD	
VirtualBank /4 (877) 998-2265	2.11
ableBanking, a division of Northeast Bank /5 (888) 426-2253	2.00
Synchrony Bank /5 (800) 903-8154	2.00
Two-year CD	
VirtualBank /4 (877) 998-2265	2.33
EverBank /4 (855) 228-6755	2.11
First Internet Bank of Indiana /4 (888) 873-3424	2.07
Five-year CD	
VirtualBank /4 (877) 998-2265	2.58
First Internet Bank of Indiana /4 (888) 873-3424	2.53
M.Y. Safra Bank, FSB /NR (212) 652-7200	2.52

Notes: Accounts are federally insured up to $250,000 per person effective Oct. 3, 2008. Yields are based on method of compounding and rate stated for the lowest required opening deposit to earn interest. CD figures are for fixed rates only. MMA: Allows six (6) third-party transfers per month, three (3) of which may be checks. Rates are subject to change.

Source: Bankrate.com, a publication of Bankrate, Inc., North Palm Beach, FL 33408
Internet: www.bankrate.com

Exchange-Traded Portfolios

Largest 100 exchange-traded funds, latest session

Tuesday, January 23, 2018

ETF	Symbol	Closing Price	Chg (%)	YTD (%)
AlerianMLPETF	AMLP	11.80	...	9.4
CnsmrDiscSelSector	XLY	107.67	0.84	9.1
CnsStapleSelSector	XLP	58.28	-0.32	2.4
EnSelectSectorSPDR	XLE	77.91	-0.15	7.8
FinSelSectorSPDR	XLF	29.81	0.10	6.8
GuggS&P500EW	RSP	106.48	0.27	5.4
HealthCareSelSect	XLV	88.59	-0.48	7.1
IndSelSectorSPDR	XLI	79.73	0.05	5.4
iShIntermCredBd	CIU	108.63	0.21	-0.5
iSh1-3YCreditBond	CSJ	104.36	0.03	-0.2
iShCoreMSCIEAFE	IEFA	70.28	0.29	6.3
iShCoreMSCIEmgMk	IEMG	61.38	0.39	7.9
iShCoreMSCITotInt	IXUS	67.19	0.33	6.5
iShCoreS&P500	IVV	285.39	0.23	6.2
iShCoreS&P MC	IJH	199.04	0.22	4.9
iShCoreS&P SC	IJR	80.34	0.10	4.6
iShS&PTotlUSStkMkt	ITOT	64.78	0.25	6.0
iShCoreUSAggBd	AGG	108.40	0.24	-0.9
iShSelectDividend	DVY	101.23	0.21	2.7
iShEdgeMSCIMinEAFE	EFAV	75.65	0.48	3.7
iShEdgeMSCIMinUSA	USMV	54.55	0.17	3.4
iShGoldTr	IAU	12.88	0.55	3.0
iShiBoxx$InvGrCpBd	LQD	120.18	0.43	-1.1
iShiBoxx$HYCpBd	HYG	87.88	0.30	0.7
iShJPMUSDEmgBd	EMB	115.81	0.19	-0.2
iShMBSETF	MBB	105.75	0.15	-0.8
iShMSCI ACWI	ACWI	76.71	0.31	6.4
iShMSCIBrazil	EWZ	43.66	-2.17	7.9
iShMSCI EAFE	EFA	74.75	0.32	6.3
iShMSCI EAFE SC	SCZ	68.43	0.40	6.1
iShMSCIEmgMarkets	EEM	50.97	0.47	8.2
iShMSCIEurozone	EZU	46.82	0.21	7.9
iShMSCIJapan	EWJ	64.49	0.61	7.6
iShNasdaqBiotech	IBB	116.81	1.12	9.4
iShNatlMuniBd	MUB	110.00	-0.02	-0.7
iShRussell1000Gwth	IWF	144.62	0.45	7.4
iShRussell1000	IWB	157.64	0.25	6.1
iShRussell1000Val	IWD	130.16	0.02	4.7
iShRussell2000Gwth	IWO	197.26	0.48	5.7
iShRussell2000	IWM	159.96	0.32	4.9
iShRussell2000Val	IWN	130.86	0.11	4.1
iShRussell3000	IWV	167.58	0.25	5.9
iShRussellMid-Cap	IWR	218.89	0.34	5.2
iShRussellMCValue	IWS	92.51	0.34	3.8
iShS&PMC400Growth	IJK	229.50	0.25	6.3
iShS&P500Growth	IVW	163.91	0.39	7.3
iShS&P500Value	IVE	119.86	0.02	4.9
iShUSPfdStk	PFF	38.04	0.26	-0.1
iShShortTreaBd	SHV	110.29	-0.01	0.0
iShTIPSBondETF	TIP	113.31	0.15	-0.7
iSh1-3YTreasuryBd	SHY	83.72	0.06	-0.2
iSh7-10YTreasuryBd	IEF	104.05	0.29	-1.4
iSh20+YTreasuryBd	TLT	123.71	0.43	-2.5
iShRussellMCGrowth	IWP	128.79	0.29	6.8
PIMCOEnhShMaturity	MINT	101.66	0.01	0.1
PwrShQQQ 1	QQQ	169.51	0.83	8.8
PwrShS&P500LoVol	SPLV	48.46	0.25	1.5
PwrShSrLoanPtf	BKLN	23.15	0.13	0.5
SPDR BlmBarcHYBd	JNK	36.96	0.30	0.7
SPDR Gold	GLD	127.28	0.50	2.9
SchwabIntEquity	SCHF	36.07	0.33	5.9
SchwabUS BrdMkt	SCHB	68.40	0.25	6.0
SchwabUS Div	SCHD	53.71	-0.24	5.0
SchwabUS LC	SCHX	67.70	0.22	6.1
SPDR DJIA Tr	DIA	261.87	-0.04	5.9
SPDR S&PMdCpTr	MDY	362.10	0.18	4.8
SPDR S&P 500	SPY	283.29	0.21	6.2
SPDR S&P Div	SDY	96.85	0.02	2.5
TechSelectSector	XLK	68.76	0.44	7.5
UtilitiesSelSector	XLU	50.54	0.96	-4.1
VanEckGoldMiner	GDX	24.10	1.64	3.7
VangdInfoTech	VGT	178.45	0.61	8.3
VangdSC Val	VBR	138.26	0.15	4.1
VangdDivApp	VIG	107.08	-0.16	4.9
VangdFTSEDevMk	VEA	47.50	0.32	5.9
VangdFTSE EM	VWO	50.03	0.36	9.0
VangdFTSE Europe	VGK	62.98	0.22	6.5
VangdFinls	VFH	74.49	0.09	6.4
VangdFTSEAWxUS	VEU	58.30	0.38	6.5
VangdGrowth	VUG	151.23	0.55	7.5
VangdHlthCr	VHT	165.80	-0.23	7.6
VangdHiDiv	VYM	89.53	-0.11	4.6
VangdIntermBd	BIV	82.94	0.23	-1.1
VangdIntrCorpBd	VCIT	86.63	0.29	-0.9
VangdLC	VV	130.23	0.23	6.2
VangdMC	VO	162.99	0.37	5.3
VangdMC Val	VOE	117.21	0.23	5.1
VangdREIT	VNQ	80.53	1.38	-3.0
VangdS&P500	VOO	260.34	0.23	6.1
VangdST Bond	BSV	78.88	0.11	-0.3
VangdSTCpBd	VCSH	79.14	0.11	-0.2
VangdSC	VB	154.97	0.38	4.9
VangdTotalBd	BND	80.82	0.26	-0.9
VangdTotIntlBd	BNDX	54.28	0.07	-0.2
VangdTotIntlStk	VXUS	60.53	0.40	6.5
VangdTotalStk	VTI	145.42	0.25	6.0
VangdTotlWrld	VT	78.91	0.28	6.3
VangdValue	VTV	111.67	-0.04	5.0
WisdTrEuropeHdg	HEDJ	66.85	0.04	4.9
WisdTrJapanHdg	DXJ	62.38	-0.11	5.1

NEW HIGHS AND LOWS

WSJ.com/newhighs

Continued From Page B7

Stock	Sym	52-Wk Hi/Lo	% Chg
Dover	DOV	105.95	0.7
DraperOakwoodWt	DOTAW	0.92	-11.1
DraperOakwoodRt	DOTAR	0.65	5.7
Dunkin'	DNKN	66.85	3.0
DycomInds	DY	120.98	-0.6
ENI	E	36.89	0.2
EOG Rscs	EOG	118.60	0.9
EPAM Systems	EPAM	115.41	1.7
E*TRADE	ETFC	56.00	...
EastWestBncp	EWBC	68.53	0.1
Eaton	ETN	85.32	0.9
Ebix	EBIX	83.90	0.8
EchoGlobalLog	ECHO	30.00	0.2
Ecolab	ECL	140.50	-1.8
Ecopetrol	EC	18.98	4.0
EdgeTherap	EDGE	12.83	3.5
EditasMedicine	EDIT	36.20	0.5
EducDev	EDUC	21.80	10.7
EdwardsLife	EW	125.50	-0.1
EldoradoResorts	ERI	35.15	1.2
EllomayCapital	ELLO	9.98	-0.2
EnantaPharma	ENTA	72.67	1.3
EncompassHealth	EHC	53.46	0.2
Enerplus	ERF	11.37	2.6
Entegris	ENTG	35.10	1.2
EnterpriseFinSvcs	EFSC	49.68	1.0
EsperionTherap	ESPR	82.18	3.6
EssentGroup	ESNT	49.82	1.7
EsteeLauder	EL	137.16	1.4
Everbridge	EVBG	33.33	0.9
EvolvingSystems	EVOL	5.85	6.9
ExpeditorsIntl	EXPD	67.19	0.7
ExtendedStayAmer	STAY	21.26	0.7
ExxonMobil	XOM	88.46	0.1
FARO Tech	FARO	54.80	2.1
Facebook	FB	189.55	2.1
FairIsaac	FICO	165.14	0.3
Fanhua	FANH	31.85	0.4
FateTherap	FATE	9.78	10.0
FiatChrysler	FCAU	24.29	-0.4
FidNatlFin	FNF	41.99	0.1
FidNatlInfo	FIS	99.81	-0.1
FifthThirdBncp	FITB	33.17	0.5
FirstAmerFin	FAF	62.71	-0.4
1stSource	SRCE	53.98	0.8
FirstCash	FCFS	71.95	0.3
Fiserv	FISV	141.08	0.1
Flagstar	FBC	40.06	-1.7
FleetCorTech	FLT	209.18	1.0
Fluor	FLR	61.88	0.3
FortBrandsHome	FBHS	73.11	-0.5
ForumMergerRt	FMCIR	0.73	1.4
FoundationMed	FMI	74.85	2.8
FreseniusMed	FMS	56.53	1.5
Gap	GPS	35.68	-0.1
GardnerDenver	GDI	38.00	1.4
Garmin	GRMN	64.63	0.7
Gartner	IT	139.50	0.5
GeneralFin	GFN	7.35	5.1
Genpact	G	34.65	-0.3
GenuineParts	GPC	104.90	0.6
Gildan	GIL	33.95	0.9
GlbBloodTherap	GBT	60.60	6.1
GlobalPayments	GPN	110.00	0.7
GoDaddy	GDDY	53.14	1.5
Graco	GGG	49.55	2.4
GrayTelevision A	GTN.A	14.95	0.5
Grifols	GRFS	25.18	...
GTx	GTXI	13.75	2.2
HFF	HF	51.74	1.5
HamiltonLane	HLNE	39.99	2.8
HanoverIns	THG	115.35	0.6
HarvardBioSci	HBIO	4.50	11.5
HercHoldings	HRI	68.33	3.1
HewlettPackard	HPE	16.72	3.9
Hill-Rom	HRC	89.70	-0.2
HiltonGrandVac	HGV	44.40	1.8
Hilton	HLT	86.98	0.9
HoeghLNG PfdA	HMLPpA	27.15	0.1
HomeDepot	HD	206.35	0.2
Honeywell	HON	160.34	0.7
HostHotels	HST	21.34	2.4
HubSpot	HUBS	101.65	-0.1
Humana	HUM	283.93	0.4
JBHunt	JBHT	126.05	0.2
HuntingtonBcshs	HBAN	16.33	0.1
HyattHotels	H	81.99	2.0
IAC/InterActive	IAC	144.31	1.9
ICICI Bank	IBN	11.26	1.2
IdexxLab	IDXX	183.13	0.7
IllinoisToolWks	ITW	173.56	-0.2
Immunomedics	IMMU	18.20	5.6
IndependentBank	IBTX	74.85	-0.3
Infosys	INFY	18.58	0.9
Innoviva	INVA	16.11	2.8
InsightPatEmp	HONR	25.34	1.0
InteractiveBrkrs	IBKR	65.20	2.2
ICE	ICE	75.97	-0.1
InterContinentl	IHG	69.10	0.2
Intuit	INTU	169.79	-0.1
IntuitiveSurgical	ISRG	441.52	1.3
iRhythmTechs	IRTC	65.53	3.5
IridiumCommPfdB	IRDMB	443.91	1.9
JPMorganWt	JPM.WS	74.29	-0.3
JPMorganChase	JPM	114.64	-0.1
JackHenry	JKHY	126.19	0.5
JonesLang	JLL	156.54	0.2
JPMUSMinimumVol	JMIN	26.59	0.3
KBR	KBR	21.69	-0.7
KKR	KKR	23.76	3.2
KLA Tencor	KLAC	116.35	1.2
KLX	KLXI	71.61	-1.8
Kadmon	KDMN	5.11	-2.0
KemPharm	KMPH	6.43	0.9
KeyCorp	KEY	21.77	1.0
KeysightTechs	KEYS	46.63	0.2
Kingstone	KINS	21.70	1.6
KinsaleCapital	KNSL	48.33	3.9
Kirby	KEX	79.65	-0.6
Kohl's	KSS	69.14	1.0
KuraOncology	KURA	18.45	3.4
LabCpAm	LH	176.49	-0.3
LandstarSystem	LSTR	111.43	-0.2
LasVegasSands	LVS	78.57	0.7
Lazard	LAZ	59.40	-0.2
LeggMason	LM	45.48	1.0
LendingTree	TREE	404.40	3.9
LibertyQVC A	QVCA	27.67	0.6
LigandPharm	LGND	164.67	2.2
Littelfuse	LFUS	221.06	-2.7
LloydsBanking	LYG	4.13	0.5
LogitechIntl	LOGI	41.73	10.9
Lowe's	LOW	108.31	0.4
LoxoOncology	LOXO	105.40	-1.0
M&T Bank	MTB	190.10	...
MCBCHoldings	MCFT	24.05	5.6
MGM Resorts	MGM	37.43	-0.3
MGPIngredients	MGPI	80.82	2.9
MI Acqns Wt	MACQW	0.67	11.1
MSCI	MSCI	140.37	0.6
MadrigalPharm	MDGL	133.81	-2.6
MagellanHealth	MGLN	102.48	-0.6
ManhattanAssoc	MANH	54.21	-0.8
Manitex	MNTX	10.50	7.4
Manpower	MAN	134.73	-1.0
MarathonOil	MRO	19.52	-0.3
MarathonPetrol	MPC	73.50	-0.1
Marriott	MAR	146.43	1.4
MarriottVacations	VAC	144.99	2.6
Mastercard	MA	168.95	-0.6
MatadorResources	MTDR	33.46	2.1
MatchGroup	MTCH	34.61	2.2
MaximIntProducts	MXIM	58.04	1.1
McDonalds	MCD	177.75	0.3
MercadoLibre	MELI	356.81	0.9
MetaFinancial	CASH	105.70	0.1
MichaelKors	KORS	67.02	1.9
Michaels	MIK	26.42	0.9
MicrochipTech	MCHP	99.17	-0.2
Microsemi	MSCC	63.07	5.7
Microsoft	MSFT	92.30	0.3
MillerHerman	MLHR	41.45	0.6
MiratiTherap	MRTX	27.95	6.3
MobileTeleSys	MBT	11.80	3.0
Monro	MNRO	62.30	0.7
MonsterBev	MNST	68.63	1.0
Moody's	MCO	161.11	0.2
MurphyUSA	MUSA	88.91	0.4
Mylan	MYL	47.82	-1.7
MyoKardia	MYOK	55.40	...
MyriadGenetics	MYGN	40.55	1.2
NMI Holdings	NMIH	20.38	1.0
NXP Semi	NXPI	121.46	-0.2
NatlInstruments	NATI	46.79	0.3
NeptuneTech	NEPT	3.53	8.7
Netflix	NFLX	257.71	10.0
Netgear	NTGR	71.15	0.2
Neurocrine	NBIX	88.98	3.1
NYTimes A	NYT	22.60	2.7
NewmontMin	NEM	40.44	1.7
NexstarMedia	NXST	82.95	-2.0
Nike	NKE	67.33	1.1
Novanta	NOVT	60.30	-1.4
Novartis	NVS	87.73	0.2
Novavax	NVAX	2.32	4.2
NovoNordisk	NVO	58.37	...
NuSkinEnts	NUS	72.24	1.7
NVIDIA	NVDA	239.83	2.2
ONEOK	OKE	60.71	1.0
OccidentalPetrol	OXY	77.90	-0.3
OldDomFreight	ODFL	150.00	0.1
Ollie'sBargain	OLLI	58.00	-1.0
OnAssignment	ASGN	68.78	0.9
ON Semi	ON	25.60	-0.9
Orange	ORAN	18.28	0.6
Orix	IX	100.00	1.3
OssenInnovation	OSN	4.90	7.0
PNC Fin	PNC	156.51	...
PRA HealthSci	PRAH	95.63	-0.1
PVH	PVH	151.36	1.8
PacificCoastOil	ROYT	2.75	5.0
PaloAltoNtwks	PANW	160.00	3.7
ParkNational	PRK	116.75	-1.6
PatrickIndustries	PATK	72.35	2.7
Paychex	PAYX	73.10	0.4
PaycomSoftware	PAYC	93.61	-0.4
PayPal	PYPL	84.55	0.3
PebblebrookHotel	PEB	39.28	1.6
PensareAcqnUn	WRLSU	10.41	...
PepsiCo	PEP	122.51	-0.2
PerformanceFood	PFGC	35.10	0.7
PerkinElmer	PKI	82.02	0.3
Perma-PipeIntl	PPIH	9.40	1.8
Perrigo	PRGO	94.17	0.6
Phillips66	PSX	107.34	0.2
PiperJaffray	PJC	93.60	0.3
Primerica	PRI	106.90	0.5
ProPetro	PUMP	22.88	1.7
PulteGroup	PHM	35.21	-0.6
PureCycle	PCYO	8.90	1.7
RMR Group	RMR	67.20	3.2
RadianGroup	RDN	23.47	0.6
RalphLauren	RL	116.30	0.8
Rayonier	RYN	32.93	0.6
RealPage	RP	49.50	1.3
RegalwdGlbEnWt	RWGE.WS	1.25	4.2
RegionsFin	RF	19.48	1.0
ResMed	RMD	104.78	14.7
RigelPharm	RIGL	4.71	-1.1
RossStores	ROST	84.66	0.1
RoyalDutchA	RDS.A	71.17	...
RoyalDutchB	RDS.B	73.43	0.1
RuthsHospitality	RUTH	23.55	1.1
RyderSystem	R	90.26	-1.2
RymanHospitality	RHP	77.67	...
S&P Global	SPGI	183.67	0.4
SEI Investments	SEIC	77.49	-0.6
SMTC	SMTX	2.33	3.9
SPX	SPXC	33.93	2.4
SVB Fin	SIVB	262.87	0.8
SafeBulkers	SB	3.84	2.2
SageTherap	SAGE	181.40	7.0
SailPointTechs	SAIL	17.44	5.5
Salesforce.com	CRM	113.76	0.3
SanJuanBasin	SJT	10.24	4.5
SangamoTherap	SGMO	20.05	3.1
SareptaTherap	SRPT	67.74	2.1
SchneiderNatl	SNDR	29.92	-0.8
ScientificGames	SGMS	56.45	-1.8
Seagate	STX	54.12	1.7
SelectEnergySvcs	WTTR	21.96	-1.8
SensataTech	ST	56.00	1.0
ServiceCorp	SCI	39.64	0.2
ServiceMaster	SERV	54.14	1.8
ServiceNow	NOW	144.99	0.4
SiliconLab	SLAB	99.85	1.2
SinovacBiotech	SVA	8.67	1.0
SkechersUSA	SKX	41.01	1.0
SleepNumber	SNBR	40.17	1.5
SmithAO	AOS	67.19	-0.3
Sony	SNE	51.94	-0.7
SorrentoTherap	SRNE	8.10	-1.3
SoundFinBancorp	SFBC	35.00	0.4
SouthernFirstBcsh	SFST	44.25	0.9
SpectrumPharm	SPPI	22.80	3.4
SpiritAeroSys	SPR	100.63	-0.5
Splunk	SPLK	92.99	1.1
SproutsFarmersMkt	SFM	27.68	2.1
Stantec	STN	29.00	...
StarsGroup	TSG	26.45	0.4
StateStreet	STT	112.43	2.9
Statoil	STO	23.70	-0.3
StevenMadden	SHOO	49.20	1.0
StrongbridgeBio	SBBP	9.03	3.0
SummitMaterials	SUM	32.62	3.2
SunesisPharm	SNSS	4.62	1.4
Sunoco	SUN	32.88	-0.4
SunTrustBanksWtB	STI.WS.B	26.50	1.9
SunTrustBanks	STI	70.64	0.6
support.com	SPRT	2.99	2.1
SynovusFin	SNV	51.62	0.6
Sysco	SYY	63.77	-0.4
TD Ameritrade	AMTD	57.85	1.3
TE Connectivity	TEL	101.93	-0.6
TRowePrice	TROW	118.36	0.6
TailoredBrands	TLRD	24.99	-1.3
TaiwanSemi	TSM	46.57	-0.2
Target	TGT	78.70	-0.6
TeekayLNG un	TGP	21.65	...
Teradata	TDC	40.50	2.5
Teradyne	TER	48.53	1.4
TexasInstruments	TXN	120.75	0.4
TexasRoadhouse	TXRH	59.62	1.9
TheBancorp	TBBK	11.09	0.4
ThermoFisherSci	TMO	217.22	-0.4
Toll Bros	TOL	52.73	-0.6
TotalSystem	TSS	83.95	0.2
TransDigm	TDG	300.69	1.2
TransUnion	TRU	59.95	0.4
Travelers	TRV	146.96	5.0
Trimble	TRMB	45.13	1.3
Trinseo	TSE	80.35	0.5
TriumphBancorp	TBK	39.35	4.3
tronc	TRNC	21.16	-0.4
TurkcellIletism	TKC	11.29	4.4
21stCenturyFoxA	FOXA	37.72	0.5
21stCenturyFoxB	FOX	37.32	0.6
22ndCentury	XXII	4.44	-4.8
2U	TWOU	75.80	-0.3
TylerTech	TYL	199.35	0.7
UBS Group	UBS	20.48	0.8
US Foods	USFD	33.54	-1.8
UbiquitiNetworks	UBNT	78.88	3.9
UnionPacific	UNP	142.40	-0.4
UtdCmtyBks	UCBI	31.61	1.1
UnitedRentals	URI	188.73	-0.7
USBrentOilFd	BNO	19.08	1.3
USComdtyIndxFd	USCI	43.09	0.1
USDieselHeatingOil	UHN	19.66	1.1
USGasolineFd	UGA	33.95	1.4
UnitedStatesOilFd	USO	12.99	1.5
US12moOilFd	USL	22.40	1.1
UnitedHealth	UNH	246.98	0.7
UnivStainless	USAP	23.45	2.0
UsanaHealth	USNA	76.80	0.4
VF	VFC	81.00	0.6
Visa	V	125.51	0.3
VOC Energy	VOC	6.66	0.6
ValeroEnergy	VLO	99.31	-0.3
Vericel	VCEL	7.05	...
Verizon	VZ	54.60	-0.4
ViperEnergyPtrs	VNOM	26.19	-0.5
VMware	VMW	138.12	0.9
Vuzix	VUZI	9.95	7.6
WAVE LifeSci	WVE	41.20	1.6
WD-40	WDFC	129.85	0.2
WEX	WEX	149.12	0.8
WPX Energy	WPX	15.61	0.9
WVS Financial	WVFC	18.00	0.9
Wal-Mart	WMT	106.15	0.4
WashingtonFederal	WAFD	37.70	-0.1
Waters	WAT	218.72	-1.8
WebsterFin	WBS	60.32	0.8
WeightWatchers	WTW	68.09	4.4
WellCareHealth	WCG	221.75	0.2
WellsFargo Wt	WFC.WS	31.25	-0.7
WellsFargo	WFC	64.85	-0.4
WernerEnterprises	WERN	42.15	0.2
WeycoGroup	WEYS	33.60	0.9
Wiley B	JW.B	67.00	2.1
Wiley A	JW.A	67.45	2.1
Wingstop	WING	46.89	1.0
WintrustFin	WTFC	89.08	0.6
WolverineWwide	WWW	33.70	0.4
Workday	WDAY	117.60	1.7
WorldAcceptance	WRLD	96.10	8.5
WynnResorts	WYNN	201.69	-0.1
XPO Logistics	XPO	98.37	-0.8
Yandex	YNDX	38.31	0.2
YumBrands	YUM	86.34	1.1
YumChina	YUMC	48.05	0.8
ZebraTech	ZBRA	126.28	1.1
Zendesk	ZEN	39.09	2.8
ZionsBancorpWt	ZIONW	22.00	0.4
ZionsBancorp	ZION	54.88	...
ZionsBancorpWt	ZIONZ	18.67	1.6
Zoetis	ZTS	78.32	0.1

Lows

Stock	Sym	52-Wk Hi/Lo	% Chg
ADOMANI	ADOM	1.88	-3.8
AratanaTherap	PETX	4.63	3.8
CafePress	PRSS	1.56	-6.2
Cherokee	CHKE	1.59	-1.5
CleanEnerFuels	CLNE	1.68	-8.2
ColonyNorthStar	CLNS	10.09	-0.7
ColonyNorthPfdJ	CLNSpJ	24.12	-0.8
DigitalRealtyPfdJ	DLRpJ	24.35	-0.2
eMagin	EMAN	1.40	4.9
EmpireStateRealES	ESBA	15.17	1.3
GEO Group	GEO	22.03	-0.8
GeorgiaPwrNt77	GPJA	24.52	-0.2
HeatBiologics	HTBX	2.62	-7.9
HebronTech	HEBT	1.94	-2.5
Hexindai	HX	10.32	-2.5
iClickInteract	ICLK	6.55	-2.9
Inphi	IPHI	30.80	-0.9
LandcadiaWt	LCAHW	0.55	-5.8
MagneGas	MNGA	2.75	-12.2
NaviosMaritime	NNA	0.85	-5.9
ObalonTherap	OBLN	3.40	-33.3
PHH	PHH	9.50	-0.9
PNCFinPfdP	PNCpP	27.16	0.4
PSBusParksPfdX	PSBpX	24.51	0.3
PAVmed	PAVM	1.75	-1.1
PA REIT PfdD	PEIpD	23.82	...
PortlandGenElec	POR	42.10	0.5
PublicStoragePfdG	PSApG	24.31	-0.3
RandCapital	RAND	2.70	-0.7
SCE V Pfd	SCEpK	25.52	0.6
ScorpioTankers	STNG	2.98	1.6
SentinelEnerSvs	STNL	9.70	-1.0
SeritageGrwPfdA	SRGpA	23.92	0.6
Southern	SO	43.16	1.0
Sprint	S	5.10	-0.4
StanleyFurniture	STLY	0.55	-23.2
StifelFinNts47	SFB	23.94	-0.7
US ShortOilFd	DNO	52.61	-1.8
WebsterFinlPfdF	WBSpF	24.35	-0.4
WellsFargoPfdA	WFCpR	27.87	0.7

Dividend Changes

Dividend announcements from January 23.

Company	Symbol	Yld %	Amount New/Old	Frq	Payable / Record
Increased					
Andeavor Logistics	ANDX	7.4	1.00 / .9852	Q	Feb14 / Jan31
Independent Bank Michigan	IBCP	2.5	.15 / .12	Q	Feb15 / Feb07
Northwest Bancshares	NWBI	3.9	.17 / .16	Q	Feb15 / Feb01
PetMed Express	PETS	2.0	.25 / .20	Q	Feb16 / Feb05
Western Gas Equity Ptrs	WGP	5.2	.5488 / .5375	Q	Feb22 / Feb01
Western Gas Partners	WES	6.8	.92 / .905	Q	Feb13 / Feb01

KEY: A: annual; M: monthly; Q: quarterly; r: revised; SA: semiannual; S2:1: stock split and ratio; SO: spin-off.

Borrowing Benchmarks | WSJ.com/bonds

Money Rates

January 23, 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	Low
Prime rates				
U.S.	**4.50**	4.50	4.50	3.75
Canada	**3.20**	3.20	3.20	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
Overnight repurchase				
U.S.	**1.44**	1.57	1.62	0.48

U.S. government rates

	Latest	Week ago	—52-Week— High	Low
Discount	**2.00**	2.00	2.00	1.25
Federal funds				
Effective rate	**1.4200**	1.4200	1.4400	0.6000
High	**1.5625**	1.5625	1.6125	0.8125
Low	**1.3000**	1.3000	1.4100	0.4500
Bid	**1.4100**	1.4100	1.4200	0.5600
Offer	**1.4300**	1.4200	1.4400	0.5800

	Latest	Week ago	—52-WEEK— High	Low
Treasury bill auction				
4 weeks	**1.230**	1.295	1.300	0.400
13 weeks	**1.430**	1.430	1.445	0.505
26 weeks	**1.615**	1.600	1.615	0.600
Secondary market				
Fannie Mae				
30-year mortgage yields				
30 days	**3.737**	3.624	3.865	3.253
60 days	**3.766**	3.653	3.899	3.281

Other short-term rates

	Latest	Week ago	—52-Week— high	low
Call money	**3.25**	3.25	3.25	2.50
Commercial paper (AA financial)				
90 days	**1.66**	n.a.	1.70	0.72
Libor				
One month	**1.56135**	1.55613	1.56900	0.77000
Three month	**1.74520**	1.73408	1.74520	1.03178
Six month	**1.92844**	1.90406	1.93175	1.33489
One year	**2.22469**	2.19563	2.22781	1.69400

	Latest	Week ago	—52-WEEK— High	Low
Euro Libor				
One month	**-0.405**	-0.405	-0.383	-0.420
Three month	**-0.383**	-0.381	-0.341	-0.387
Six month	**-0.334**	-0.332	-0.240	-0.337
One year	**-0.262**	-0.250	-0.095	-0.262
Euro interbank offered rate (Euribor)				
One month	**-0.369**	-0.369	-0.366	-0.375
Three month	**-0.328**	-0.329	-0.325	-0.332
Six month	**-0.276**	-0.272	-0.237	-0.277
One year	**-0.191**	-0.186	-0.100	-0.194

	Latest	Value Traded	—52-Week— High	Low
DTCC GCF Repo Index				
Treasury	**1.372**	41.800	1.836	0.489
MBS	**1.379**	73.630	1.852	0.496

	Settle	Change	Open Interest	Implied Rate
DTCC GCF Repo Index Futures				
Treasury Jan	**98.545**	unch.	3556	1.455
Treasury Feb	**98.565**	0.005	2438	1.435
Treasury Mar	**98.435**	0.000	466	1.565

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; **Discount rate** is effective December 14, 2017. **DTCC GCF Repo Index** is Depository Trust & Clearing Corp.'s weighted average for overnight trades in applicable CUSIPs. Value traded is in billions of U.S. dollars. **Federal-funds rates** are Tullett Prebon rates as of 5:30 p.m. ET. **Futures on the DTCC GCF Repo Index** are traded on NYSE Liffe US.

Sources: Federal Reserve; Bureau of Labor Statistics; DTCC; SIX Financial Information; Tullett Prebon Information, Ltd.

Cash Prices | WSJ.com/commodities

Tuesday, January 23, 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.

	Tuesday
Energy	
Propane,tet,Mont Belvieu-g	0.8388
Butane,normal,Mont Belvieu-g	0.9880
NaturalGas,HenryHub-i	3.360
NaturalGas,TranscoZone3-i	3.400
NaturalGas,TranscoZone6NY-i	3.710
NaturalGas,PanhandleEast-i	2.760
NaturalGas,Opal-i	2.790
NaturalGas,MarcellusNE PA-i	2.620
NaturalGas,HaynesvilleN.LA-i	3.260
Coal,C.Aplc.,12500Btu,1.2SO2-r,w	58.500
Coal,PwdrRvrBsn,8800Btu,0.8SO2-r,w	12.250
Metals	
Gold, per troy oz	
Engelhard industrial	1335.92
Engelhard fabricated	1436.11
Handy & Harman base	1333.40
Handy & Harman fabricated	1480.07
LBMA Gold Price AM	*1334.15
LBMA Gold Price PM	*1332.60
Krugerrand,wholesale-e	1389.65
Maple Leaf-e	1403.01
American Eagle-e	1403.01
Mexican peso-e	1619.06
Austria crown-e	1312.74
Austria phil-e	1403.01
Silver, troy oz.	
Engelhard industrial	16.7900
Engelhard fabricated	20.1480
Handy & Harman base	16.8950
Handy & Harman fabricated	21.1190
LBMA spot price	£12.1900
(U.S.$ equivalent)	16.9800
Coins,wholesale $1,000 face-a	12631
Other metals	
LBMA Platinum Price PM	*1017.0
Platinum,Engelhard industrial	1001.0
Platinum,Engelhard fabricated	1101.0
Palladium,Engelhard industrial	1092.0
Palladium,Engelhard fabricated	1192.0
Aluminum, LME, $ per metric ton	*2235.0
Copper,Comex spot	3.0895
Iron Ore, 62% Fe CFR China-s	73.7
Shredded Scrap, US Midwest-s,m	339
Steel, HRC USA, FOB Midwest Mill-s	695
Fibers and Textiles	
Burlap,10-oz,40-inch NY yd-n,w	0.6450
Cotton,1 1/16 std lw-mdMphs-u	0.8126
Cotlook 'A' Index-t	*94.10
Hides,hvy native steers piece fob-u	65.750
Wool,64s,staple,Terr del-u,w	n.a.
Grains and Feeds	
Barley,top-quality Mnpls-u	4.85
Bran,wheat middlings, KC-u	130
Corn,No. 2 yellow,Cent IL-bp,u	3.2900
Corn gluten feed,Midwest-u,w	103.1
Corn gluten meal,Midwest-u,w	469.2
Cottonseed meal-u,w	283
Hominy feed,Cent IL-u,w	98
Meat-bonemeal,50% pro Mnpls-u,w	218
Oats,No.2 milling,Mnpls-u	3.0500
Rice, Long Grain Milled, No. 2 AR-u,w	25.00
Sorghum,(Milo) No.2 Gulf-u	8.0575
SoybeanMeal,Cent IL,rail,ton48%-u	333.10
Soybeans,No.1 yllw IL-bp,u	9.5200
Wheat,Spring14%-pro Mnpls-u	7.4200
Wheat,No.2 soft red,St.Louis-bp,u	4.2750
Wheat - Hard - KC (USDA) $ per bu-u	4.1325
Wheat,No.1soft white,Portld,OR-u	5.2475
Food	
Beef,carcass equiv. index choice 1-3,600-900 lbs.-u	189.04
select 1-3,600-900 lbs.-u	182.56
Broilers, National comp wghtd-u,w	0.9462
Butter,AA Chicago	2.1150
Cheddar cheese,bbl,Chicago	136.50
Cheddar cheese,blk,Chicago	156.00
Milk,Nonfat dry,Chicago lb.	71.75
Cocoa,Ivory Coast-w	n.a.
Coffee,Brazilian,Comp	1.2221
Coffee,Colombian, NY	1.4225
Eggs,large white,Chicago-u	1.1450
Flour,hard winter KC	15.30
Hams,17-20 lbs,Mid-US fob-u	0.70
Hogs,Iowa-So. Minnesota-u	70.53
Pork bellies,12-14 lb MidUS-u	1.4661
Pork loins,13-19 lb MidUS-u	0.8443
Steers,Tex.-Okla. Choice-u	n.a.
Steers,feeder,Okla. City-u,w	167.00
Fats and Oils	
Corn oil,crude wet/dry mill-u,w	30.2900
Grease,choice white,Chicago-h	0.2250
Lard,Chicago-u	0.3100
Soybean oil,crude;Centl IL-u	0.3112
Tallow,bleach;Chicago-h	0.2625
Tallow,edible,Chicago-u	n.a.

KEY TO CODES: A=ask; B=bid; BP=country elevator bids to producers; C=corrected; E=Manfra,Tordella & Brooks; G=ICE; H=Hurley Brokerage; I=Natural Gas Intelligence;

M=monthly; N=nominal; n.a.=not quoted or not available; R=SNL Energy; S=Platts-TSI; T=Cotlook Limited; U=USDA; W=weekly, Z=not quoted. *Data as of 1/22

Source: WSJ Market Data Group

COMMODITIES

WSJ.com/commodities

Futures Contracts

Metal & Petroleum Futures

	Open	High	hi lo	Low	Settle	Chg	Open interest
Copper-High (CMX)-25,000 lbs.; $ per lb.							
Jan	3.1425	3.1425	▼	3.1025	**3.0895**	−0.0880	216
March	3.1985	3.2125	▼	3.1080	**3.1110**	−0.0875	146,442
Gold (CMX)-100 troy oz.; $ per troy oz.							
Jan	1335.80	1335.90		1335.80	**1335.70**	4.80	185
Feb	1333.00	1341.50		1330.70	**1336.70**	4.80	226,529
April	1338.40	1346.60		1335.80	**1341.70**	4.80	227,410
June	1343.70	1351.60		1341.00	**1346.90**	4.80	57,626
Aug	1348.80	1356.50		1347.10	**1352.30**	4.70	20,725
Dec	1362.60	1367.70		1357.70	**1363.20**	4.30	28,017
Palladium (NYM) - 50 troy oz.; $ per troy oz.							
Jan	...	...		...	**1086.90**	−8.05	3
March	1091.95	1095.85		1082.00	**1084.25**	−8.05	35,244
June	1084.90	1087.50		1074.85	**1077.20**	−7.55	3,066
Sept	1076.30	1077.00		1071.50	**1072.05**	−7.55	310
Platinum (NYM)-50 troy oz.; $ per troy oz.							
Jan	...	...		...	**1005.30**	11.00	9
April	1001.00	1013.30		993.50	**1007.80**	11.00	83,489
Silver (CMX)-5,000 troy oz.; $ per troy oz.							
Jan	16.985	16.985		16.985	**16.855**	−0.076	15
March	16.990	17.090	▼	16.735	**16.913**	−0.076	139,819
Crude Oil, Light Sweet (NYM)-1,000 bbls.; $ per bbl.							
March	63.88	64.88	▲	63.70	**64.47**	0.90	633,247
April	63.85	64.69	▲	63.56	**64.31**	0.88	213,675
May	63.58	64.41	▲	63.37	**64.09**	0.86	167,947
June	63.22	64.10	▲	63.11	**63.79**	0.83	304,314
Dec	60.83	61.53	▲	60.73	**61.30**	0.63	247,943
Dec'19	57.16	57.53	▲	57.01	**57.39**	0.42	109,009
NY Harbor ULSD (NYM)-42,000 gal.; $ per gal.							
Feb	2.0641	2.0985		2.0582	**2.0861**	.0292	62,960
March	2.0628	2.0944		2.0559	**2.0823**	.0272	151,573
Gasoline-NY RBOB (NYM)-42,000 gal.; $ per gal.							
Feb	1.8884	1.9150	▲	1.8827	**1.9087**	.0286	47,616
March	1.8884	1.9145	▲	1.8834	**1.9075**	.0274	154,944
Natural Gas (NYM)-10,000 MMBtu.; $ per MMBtu.							
Feb	3.254	3.628	▲	3.249	**3.444**	.220	89,791
March	2.949	3.129	▲	2.944	**3.039**	.108	372,013
April	2.801	2.892	▲	2.797	**2.849**	.057	183,341
May	2.796	2.869	▲	2.794	**2.837**	.048	158,837
July	2.873	2.939	▲	2.873	**2.912**	.046	84,463
Oct	2.865	2.928	▲	2.865	**2.901**	.044	106,877

Agriculture Futures

	Open	High	hi lo	Low	Settle	Chg	Open interest
Corn (CBT)-5,000 bu.; cents per bu.							
March	351.75	352.00		349.50	**351.25**	−.75	811,625
May	360.25	360.25		358.00	**359.75**	−.75	273,872
Oats (CBT)-5,000 bu.; cents per bu.							
March	266.25	274.75	▲	265.25	**270.00**	5.00	3,842
May	263.00	265.75	▲	261.25	**262.25**	.50	2,122
Soybeans (CBT)-5,000 bu.; cents per bu.							
March	983.00	988.75	▲	979.50	**986.25**	2.00	359,882
May	994.75	1000.00	▲	990.75	**997.75**	2.00	184,511
Soybean Meal (CBT)-100 tons; $ per ton.							
March	337.70	340.00	▲	334.30	**339.60**	1.00	166,020
May	340.90	342.80	▲	337.40	**342.50**	.80	98,537
Soybean Oil (CBT)-60,000 lbs.; cents per lb.							
March	32.22	32.66		32.17	**32.52**	.36	233,654
May	32.40	32.86		32.37	**32.72**	.36	108,650
Rough Rice (CBT)-2,000 cwt.; $ per cwt.							
March	1214.50	1230.00	▲	1211.00	**1220.00**	2.00	7,573
May	1245.50	1253.50	▲	1241.00	**1245.50**	1.50	1,060
Wheat (CBT)-5,000 bu.; cents per bu.							
March	423.50	425.00		419.75	**421.50**	−4.25	295,003
May	437.00	437.75		432.50	**434.25**	−4.25	106,533
Wheat (KC)-5,000 bu.; cents per bu.							
March	427.25	428.50		422.00	**423.25**	−5.25	166,384
May	441.75	442.50		436.00	**437.25**	−5.25	66,740
Wheat (MPLS)-5,000 bu.; cents per bu.							
March	606.75	608.25	▼	604.25	**604.50**	−2.50	33,877
May	616.00	617.75	▼	614.50	**614.75**	−1.75	14,233
Cattle-Feeder (CME)-50,000 lbs.; cents per lb.							
Jan	148.100	148.950		147.650	**148.625**	.725	2,837
March	146.100	147.500		145.150	**146.975**	1.150	27,535
Cattle-Live (CME)-40,000 lbs.; cents per lb.							
Feb	123.750	124.950	▲	123.350	**124.725**	1.175	49,466
April	124.050	125.050		123.650	**124.800**	.825	145,389
Hogs-Lean (CME)-40,000 lbs.; cents per lb.							
Feb	72.175	72.775		71.525	**72.250**	.450	28,760
April	75.275	75.575		74.225	**74.650**	−.475	106,372
Lumber (CME)-110,000 bd. ft., $ per 1,000 bd. ft.							
March	473.90	475.90		469.80	**471.90**	−2.90	5,872
May	466.10	468.00		464.30	**465.70**	−3.00	1,060
Milk (CME)-200,000 lbs., cents per lb.							
Jan	13.90	13.91		13.87	**13.90**	.01	3,286
March	13.59	13.75		13.50	**13.61**	...	3,974
Cocoa (ICE-US)-10 metric tons; $ per ton.							
March	1,949	1,970		1,923	**1,929**	−9	113,966
May	1,971	1,990		1,948	**1,953**	−8	60,110
Coffee (ICE-US)-37,500 lbs.; cents per lb.							
March	122.15	122.40		120.50	**120.95**	−1.60	124,490
May	124.70	124.80		123.00	**123.40**	−1.60	58,891
Sugar-World (ICE-US)-112,000 lbs.; cents per lb.							
March	13.10	13.28		13.10	**13.19**	.02	410,823
May	13.27	13.41		13.24	**13.36**	.05	217,223
Sugar-Domestic (ICE-US)-112,000 lbs.; cents per lb.							
March	26.60	26.60	▼	26.55	**26.55**	−.15	3,537
May	27.00	27.00		26.99	**26.99**	−.11	2,470
Cotton (ICE-US)-50,000 lbs.; cents per lb.							
March	83.42	83.68		82.01	**82.26**	−1.15	168,450
May	83.78	84.05		82.50	**82.74**	−1.04	72,206
Orange Juice (ICE-US)-15,000 lbs.; cents per lb.							
March	148.40	148.80		147.50	**148.40**	−.05	7,998
May	148.35	148.85	▲	147.70	**148.50**	.10	1,688

Interest Rate Futures

	Open	High	hi lo	Low	Settle	Chg	Open interest
Treasury Bonds (CBT)-$100,000; pts 32nds of 100%							
March	148-280	149-220		148-250	**149-070**	17.0	805,389
June	148-010	148-180		148-010	**148-060**	17.0	1,100
Treasury Notes (CBT)-$100,000; pts 32nds of 100%							
March	122-055	122-165		122-040	**122-135**	10.5	3,449,329
June	121-210	122-000		121-210	**121-300**	11.0	27,156
5 Yr. Treasury Notes (CBT)-$100,000; pts 32nds of 100%							
March	115-027	115-085		115-015	**115-072**	6.0	3,284,579
June	114-285	114-317		114-285	**114-310**	6.5	10,378
2 Yr. Treasury Notes (CBT)-$200,000; pts 32nds of 100%							
March	106-235	106-252		106-232	**106-247**	1.5	1,928,653
June	106-165	106-182		106-165	**106-180**	1.5	5,539
30 Day Federal Funds (CBT)-$5,000,000; 100 - daily avg.							
Jan	98.585	98.588	▼	98.585	**98.588**	...	243,002
April	98.365	98.370	▼	98.365	**98.365**	−.005	233,543
10 Yr. Del. Int. Rate Swaps (CBT)-$100,000; pts 32nds of 100%							
March	95.813	96.063		95.813	**96.016**	.531	28,122
1 Month Libor (CME)-$3,000,000; pts of 100%							
Feb	98.4400	98.4400		98.4400	**98.4425**	...	4,676
March	98.2600	98.2600	▲	98.2600	**98.2550**	−.0150	108
Eurodollar (CME)-$1,000,000; pts of 100%							
Feb	98.2275	98.2300		98.2250	**98.2300**	.0050	167,711
June	97.9450	97.9600		97.9400	**97.9600**	.0200	1,363,519
Dec	97.6750	97.7100		97.6700	**97.7000**	.0350	1,787,870
Dec'19	97.3850	97.4450		97.3850	**97.4300**	.0500	1,581,887

Currency Futures

	Open	High	hi lo	Low	Settle	Chg	Open interest
Japanese Yen (CME)-¥12,500,000; $ per 100¥							
Feb	.9028	.9083		.9011	**.9077**	.0054	402
March	.9040	.9097		.9021	**.9091**	.0055	234,802
Canadian Dollar (CME)-CAD 100,000; $ per CAD							
Feb	.8032	.8049		.8016	**.8045**	.0012	284
March	.8040	.8057		.8011	**.8047**	.0012	161,885
British Pound (CME)-£62,500; $ per £							
Feb	1.4013	1.4036	▲	1.3932	**1.4014**	.0019	1,303
March	1.4010	1.4057	▲	1.3942	**1.4026**	.0019	228,710
Swiss Franc (CME)-CHF 125,000; $ per CHF							
March	1.0437	1.0495		1.0420	**1.0479**	.0046	70,613
June	1.0498	1.0567		1.0498	**1.0557**	.0047	249
Australian Dollar (CME)-AUD 100,000; $ per AUD							
Feb	.7998	.8028		.7959	**.7996**	−.0015	1,315
March	.8010	.8028		.7955	**.7996**	−.0014	134,595
April	.8007	.8027		.7964	**.7996**	−.0015	545
June	.7995	.8024		.7960	**.7996**	−.0014	824
Dec	.7989	.8000	▲	.7989	**.8001**	−.0014	285
Mexican Peso (CME)-MXN 500,000; $ per MXN							
March	.05302	.05305		.05249	**.05291**	−.00008	171,321
June	.05176	.05221		.05169	**.05208**	−.00008	1,241
Euro (CME)-€125,000; $ per €							
Feb	1.2279	1.2320		1.2246	**1.2315**	.0036	3,242
March	1.2301	1.2347		1.2264	**1.2336**	.0036	573,645

Index Futures

	Open	High	hi lo	Low	Settle	Chg	Open interest
Mini DJ Industrial Average (CBT)-$5 x index							
March	26201	26315	▲	26135	**26201**	6	153,108
June	26234	2639		26174	**26238**	12	428
S&P 500 Index (CME)-$250 x index							
March	2835.30	2844.50	▲	2829.00	**2839.60**	4.40	68,661
June	...	2847.80	▲	2831.80	**2844.30**	4.50	119
Mini S&P 500 (CME)-$50 x index							
March	2835.25	2844.75	▲	2828.75	**2839.50**	4.25	3,312,310
June	2840.00	2849.00	▲	2833.75	**2844.25**	4.50	65,024
Mini S&P Midcap 400 (CME)-$100 x index							
March	1991.50	1998.30	▲	1985.30	**1995.50**	4.40	90,694
Mini Nasdaq 100 (CME)-$20 x index							
March	6929.8	6981.3	▲	6919.8	**6965.8**	34.8	250,248
June	6957.3	7005.5	▲	6946.5	**6990.8**	36.3	1,495
Mini Russell 2000 (ICE-US)-$100 x index							
March	1606.50	1616.30	▲	1599.80	**1612.90**	5.90	23,095
Mini Russell 1000 (ICE-US)-$100 x index							
March	1570.40	1574.30	▲	1568.80	**1571.90**	3.80	186
U.S. Dollar Index (ICE-US)-$1,000 x index							
March	90.16	90.40	▼	89.85	**89.92**	−.28	45,741
June	89.82	90.02	▼	89.56	**89.57**	−.29	1,323

Source: SIX Financial Information

Bonds | WSJ.com/bonds

Tracking Bond Benchmarks

Return on investment and spreads over Treasurys and/or yields paid to investors compared with 52-week highs and lows for different types of bonds

Total return close	YTD total return (%)	Index	Yield (%) Latest	Low	High
Broad Market Bloomberg Barclays					
1928.88	-0.9	U.S. Aggregate	2.900	2.380	2.920
U.S. Corporate Indexes Bloomberg Barclays					
2776.84	-0.9	U.S. Corporate	3.400	3.030	3.500
2606.44	-0.6	Intermediate	3.050	2.530	3.090
3882.10	-1.5	Long term	4.140	3.990	4.680
564.70	-0.8	Double-A-rated	2.890	2.470	2.920
718.91	-0.7	Triple-B-rated	3.670	3.340	3.830
High Yield Bonds Merrill Lynch					
421.17	0.9	High Yield Constrained	5.692	5.373	6.189
428.79	2.0	Triple-C-rated	10.020	9.584	11.091
2882.20	0.7	High Yield 100	5.499	4.948	5.890
381.97	0.8	Global High Yield Constrained	5.064	4.934	5.738
308.77	0.8	Europe High Yield Constrained	2.302	1.897	3.196
U.S Agency Bloomberg Barclays					
1630.06	-0.5	U.S Agency	2.350	1.690	2.380
1458.37	-0.3	10-20 years	2.230	1.490	2.260
3332.05	-1.7	20-plus years	3.100	2.730	3.410
2450.69	-0.6	Yankee	3.100	2.610	3.130

Total return close	YTD total return (%)	Index	Yield (%) Latest	Low	High
Mortgage-Backed Bloomberg Barclays					
1973.58	-0.8	Mortgage-Backed	3.140	2.660	3.140
1940.01	-0.7	Ginnie Mae (GNMA)	3.110	2.630	3.110
1157.39	-0.8	Fannie mae (FNMA)	3.150	2.670	3.150
1782.81	-0.8	Freddie Mac (FHLMC)	3.160	2.680	3.160
520.71	-0.3	Muni Master	2.228	1.736	2.281
363.33	-0.6	7-12 year	2.290	1.744	2.394
409.72	-0.6	12-22 year	2.583	2.213	2.872
397.65	-0.7	22-plus year	2.943	2.716	3.449
Global Government J.P. Morgan†					
541.42	-0.5	Global Government	1.530	1.300	1.560
749.62	-0.7	Canada	2.210	1.570	2.220
371.21	0.2	EMU§	1.137	0.956	1.363
708.23	-0.3	France	0.910	0.690	1.210
505.09	-0.4	Germany	0.580	0.210	0.620
288.23	-0.2	Japan	0.410	0.340	0.460
557.74	-0.5	Netherlands	0.690	0.390	0.760
919.73	-1.2	U.K.	1.620	1.340	1.790
807.12	-0.1	Emerging Markets **	5.602	5.279	5.951

*Constrained indexes limit individual issuer concentrations to 2%; the High Yield 100 are the 100 largest bonds † In local currency § Euro-zone bonds

** EMBI Global Index

Sources: Merrill Lynch; Bloomberg Barclays; J.P.Morgan

Global Government Bonds: Mapping Yields

Yields and spreads over or under U.S. Treasurys on benchmark two-year and 10-year government bonds in selected other countries; arrows indicate whether the yield rose(▲) or fell (▼) in the latest session

Coupon (%)	Country/ Maturity, in years	Yield (%) Latest	Previous	Month ago	Year ago	Spread Under/Over U.S. Treasurys, in basis points Latest	Prev	Year ago
1.875	U.S. 2	2.049 ▼	2.061	1.895	1.148			
2.250	10	2.624 ▼	2.650	2.484	2.401			
4.500	Australia 2	2.093 ▼	2.113	2.001	1.886	4.4	5.2	73.8
2.750	10	2.815 ▼	2.842	2.720	2.765	19.1	19.1	36.4
1.000	France 2	-0.448 ▲	-0.449	-0.505	-0.540	-249.7	-251.1	-168.7
0.750	10	0.843 ▲	0.839	0.738	0.867	-178.1	-181.2	-153.4
0.000	Germany 2	-0.590 ▲	-0.602	-0.640	-0.682	-263.9	-266.4	-183.0
0.500	10	0.501 ▼	0.506	0.419	0.363	-212.2	-214.4	-203.8
0.050	Italy 2	-0.229 ▼	-0.210	-0.209	-0.107	-227.8	-227.2	-125.5
2.050	10	1.890 ▼	1.921	1.914	2.003	-73.4	-72.9	-39.8
0.100	Japan 2	-0.140 ▼	-0.134	-0.146	-0.237	-218.9	-219.5	-138.5
0.100	10	0.074 ▼	0.081	0.049	0.057	-255.0	-257.0	-234.4
2.750	Spain 2	-0.407 ▼	-0.393	-0.351	-0.317	-245.6	-245.4	-146.5
1.450	10	1.358 ▼	1.397	1.469	1.447	-126.	-125.4	-95.4
1.750	U.K. 2	0.577 ▲	0.567	0.451	0.147	-147.2	-149.4	-100.1
4.250	10	1.354 ▼	1.362	1.246	1.460	-126.	-128.9	-94.1

Source: Tullett Prebon

Corporate Debt

in that same company's share price.

Investment-grade spreads that tightened the most...

Issuer	Symbol	Coupon (%)	Maturity	Spread*, in basis points Current	One-day change	Last week	Stock Performance Close ($)	% chg
JPMorgan Chase	JPM	7.900	April 30, '49	−113	−43	−32	114.21	−0.10
Bank of America	BAC	2.151	Nov. 9, '20	34	−16	36	31.92	−0.06
Williams Partners	WPZ	4.300	March 4, '24	98	−10	105	43.47	−0.05
American Express Credit	AXP	2.375	May 26, '20	38	−8	43	...	...
Macy's Retail Holdings	M	6.375	March 15, '37	338	−8	n.a.	...	...
Union Central Life Insurance	UNIONC	8.200	Nov. 1, '26	235	−8	n.a.	...	...
Bank of New York Mellon	BK	2.450	Nov. 27, '20	41	−7	n.a.	57.72	...
Applied Materials	AMAT	4.300	June 15, '21	37	−6	n.a.	57.79	0.57

...And spreads that widened the most

Issuer	Symbol	Coupon (%)	Maturity	Spread*, in basis points Current	One-day change	Last week	Stock Performance Close ($)	% chg
Costco Wholesale	COST	3.000	May 18, '27	52	22	49	193.42	−0.49
Barclays	BACR	3.200	Aug. 10, '21	98	14	93	...	...
Diageo Capital	DGELN	2.625	April 29, '23	44	10	n.a.	...	...
Boeing	BA	4.875	Feb. 15, '20	25	9	20	335.59	−0.71
Tyson Foods	TSN	4.500	June 15, '22	55	9	49	81.13	0.30
Southwest Airlines	LUV	3.450	Nov. 16, '27	97	8	n.a.	65.26	0.57
Pacific Gas And Electric	PCG	2.950	March 1, '26	89	8	n.a.	...	...

High-yield issues with the biggest price increases...

Issuer	Symbol	Coupon (%)	Maturity	Bond Price as % of face value Current	One-day change	Last week	Stock Performance Close ($)	% chg
Mattel	MAT	3.150	March 15, '23	88.563	3.31	86.375	17.76	10.38
Intelsat Luxembourg S.A.	INTEL	8.125	June 1, '23	45.125	3.13	46.000	...	...
Cleveland–Cliffs	CLF	6.250	Oct. 1, '40	85.250	2.25	82.875	8.31	−0.95
FirstEnergy Solutions	FE	6.800	Aug. 15, '39	43.500	2.00	40.000	...	...
Guitar Center	GTRC	6.500	April 15, '19	96.375	2.00	94.500	...	...
Sprint Capital	S	8.750	March 15, '32	123.000	2.00	120.000	...	...
Endo Dac	ENDP	6.000	July 15, '23	79.750	1.81	80.000	...	...
Diamond Offshore Drilling	DO	4.875	Nov. 1, '43	78.000	1.75	n.a.	19.75	−0.85

...And with the biggest price decreases

Issuer	Symbol	Coupon (%)	Maturity	Bond Price as % of face value Current	One-day change	Last week	Stock Performance Close ($)	% chg
Seagate HDD Cayman	STX	5.750	Dec. 1, '34	97.350	−2.48	98.000	...	...
GenOn Energy	GENONE	9.875	Oct. 15, '20	78.000	−2.00	81.750	...	...
Sprint	S	7.250	Sept. 15, '21	105.750	−1.88	107.375	5.30	−0.38
Ultra Resources	UPL	6.875	April 15, '22	100.875	−1.13	n.a.	...	...
L Brands	LB	6.875	Nov. 1, '35	101.462	−1.04	102.920	53.20	2.23
Tops Holding	TOMA	8.000	June 15, '22	58.750	−0.75	61.000	...	...
Mattel	MAT	2.350	Aug. 15, '21	89.800	−0.70	90.250	17.76	10.38
Frontier Communications	FTR	11.000	Sept. 15, '25	77.625	−0.63	74.250	8.09	−5.16

*Estimated spread over 2-year, 3-year, 5-year, 10-year or 30-year hot-run Treasury; 100 basis points=one percentage pt.; change in spread shown is for Z-spread.

Note: Data are for the most active issue of bonds with maturities of two years or more

Sources: MarketAxess Corporate BondTicker; WSJ Market Data Group

MARKETS DIGEST

EQUITIES

Dow Jones Industrial Average

26210.81 ▼3.79, or 0.01%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio	26.16	20.63
P/E estimate*	19.87	17.97
Dividend yield	2.00	2.40
All-time high 26214.60, 01/22/18		

Current divisor 0.14523396877348

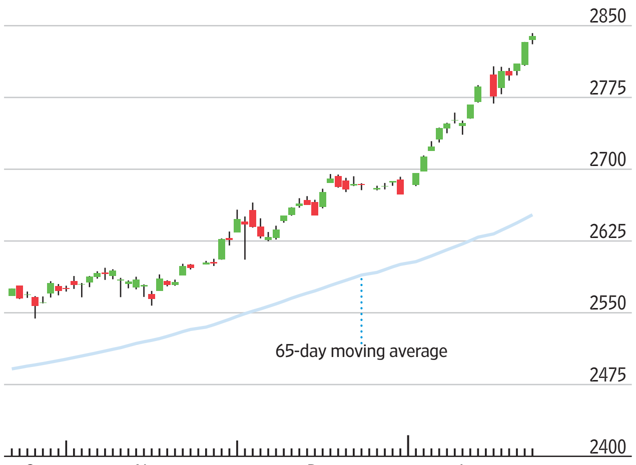
Bars measure the point change from session's open

S&P 500 Index

2839.13 ▲6.16, or 0.22%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio	22.85	24.71
P/E estimate*	18.68	17.45
Dividend yield	1.82	2.15
All-time high: 2839.13, 01/23/18		



Nasdaq Composite Index

7460.29 ▲52.26, or 0.71%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio	*28.15	15.10
P/E estimate*	21.17	18.85
Dividend yield	0.99	1.17
All-time high: 7460.29, 01/23/18		

Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.

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	26246.19	26143.90	26210.81	-3.79	-0.01	26214.60	19864.09	31.6	6.0	14.4
Transportation Avg	11361.23	11265.42	11344.55	-13.04	-0.11	11373.38	8783.74	22.1	6.9	9.0
Utility Average	695.79	685.09	691.81	6.95	1.01	774.47	655.21	5.6	-4.4	2.6
Total Stock Market	29360.44	29237.21	29338.50	71.38	0.24	29338.50	23699.03	23.6	6.0	11.2
Barron's 400	757.48	752.57	756.74	1.86	0.25	756.74	606.11	24.0	6.4	12.1
Nasdaq Stock Market										
Nasdaq Composite	7465.39	7423.18	7460.29	52.26	0.71	7460.29	5600.96	33.2	8.1	16.2
Nasdaq 100	6969.40	6926.37	6963.46	57.18	0.83	6963.46	5101.06	36.5	8.9	17.6
S&P										
500 Index	2842.24	2830.59	2839.13	6.16	0.22	2839.13	2278.87	24.5	6.2	11.4
MidCap 400	1996.30	1983.99	1993.88	4.27	0.21	1993.88	1681.04	17.5	4.9	11.1
SmallCap 600	980.78	972.25	979.19	1.54	0.16	979.19	815.62	16.8	4.6	12.7
Other Indexes										
Russell 2000	1612.55	1599.21	1610.71	5.54	0.35	1610.71	1345.24	17.6	4.9	10.7
NYSE Composite	13482.42	13434.94	13474.11	3.74	0.03	13474.11	11205.24	19.8	5.2	7.7
Value Line	588.60	585.29	588.16	0.98	0.17	588.16	503.24	14.1	4.6	5.9
NYSE Arca Biotech	4870.50	4773.74	4861.62	76.74	1.60	4861.62	3134.03	55.1	15.1	9.6
NYSE Arca Pharma	575.24	569.68	569.87	-4.59	-0.80	574.47	469.13	21.5	4.6	1.2
KBW Bank	115.89	114.52	115.50	0.25	0.22	115.50	88.02	26.3	8.2	18.9
PHLX§ Gold/Silver	90.06	86.94	89.91	1.60	1.81	96.72	76.42	-2.2	5.4	4.7
PHLX§ Oil Service	166.72	163.90	165.49	-0.29	-0.17	191.34	117.79	-12.0	10.7	-5.1
PHLX§ Semiconductor	1393.40	1383.18	1392.86	10.45	0.76	1392.86	942.41	47.8	11.2	27.0
Cboe Volatility	11.57	10.76	11.10	0.07	0.63	16.04	9.14	0.3	0.5	-12.7

§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 6:30 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)	After Hours Last	Net chg	% chg	High	Low
SPDR S&P 500	SPY	17,505.6	283.06	-0.23	-0.08	283.46	282.76
Finl Select Sector SPDR	XLF	8,284.2	29.72	-0.09	-0.30	29.82	29.71
PwrShrs QQQ Tr Series 1	QQQ	5,899.7	169.17	-0.34	-0.20	169.53	157.37
iShares MSCI Emg Markets	EEM	5,695.9	51.05	0.08	0.16	51.06	50.91
FirstEnergy	FE	4,395.1	32.00	...	unch.	32.50	31.99
Intel	INTC	3,630.5	45.73	-0.33	-0.72	46.11	45.40
General Motors	GM	2,805.9	43.38	...	unch.	43.44	43.18
Cisco Systems	CSCO	2,737.8	42.10	...	unch.	42.35	41.83

Percentage gainers...

Company	Symbol	Volume (000)	Last	Net chg	% chg	High	Low
Cerus	CERS	395.5	5.83	1.50	34.64	6.10	4.33
Obalon Therapeutics	OBLN	45.6	3.60	0.14	4.05	3.60	3.44
McEwen Mining	MUX	9.8	2.42	0.09	3.86	2.42	2.30
Network-1 Technologies	NTIP	10.4	2.70	0.10	3.65	2.90	2.55
22nd Century Group	XXII	39.8	4.10	0.14	3.54	4.10	3.92

...And losers

Company	Symbol	Volume (000)	Last	Net chg	% chg	High	Low
Puma Biotechnology	PBYI	1,007.1	64.50	-26.40	-29.04	90.90	60.00
Sigma Designs	SIGM	83.0	6.25	-0.75	-10.71	7.00	6.20
Teekay Corp	TK	62.3	9.92	-0.82	-7.64	10.74	9.87
Five Prime Therapeutics	FPRX	55.4	20.75	-1.68	-7.49	22.43	20.00
Mercury Systems	MRCY	9.3	45.50	-3.54	-7.22	49.10	41.50

Trading Diary

Volume, Advancers, Decliners

	NYSE	NYSE Amer.
Total volume*	791,666,522	12,269,893
Adv. volume*	404,529,823	7,316,557
Decl. volume*	371,284,990	4,821,158
Issues traded	3,074	331
Advances	1,824	175
Declines	1,123	138
Unchanged	127	18
New highs	292	8
New lows	27	2
Closing tick	45	3
Closing Arms†	1.45	0.99
Block trades*	6,777	93
	Nasdaq	**NYSE Arca**
Total volume*	2,088,908,529	235,495,783
Adv. volume*	1,403,116,058	182,325,523
Decl. volume*	660,899,920	47,933,668
Issues traded	3,094	1,369
Advances	1,643	1,012
Declines	1,286	322
Unchanged	165	35
New highs	415	634
New lows	23	63
Closing tick	119	126
Closing Arms†	0.60	0.85
Block trades*	8,331	1,344

* 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**	3292.85	15.55	0.47	6.7
	DJ Global Index	421.59	2.12	0.51	6.1
	DJ Global ex U.S.	283.23	2.18	0.78	6.2
Americas	**DJ Americas**	679.98	1.30	0.19	5.9
Brazil	**Sao Paulo Bovespa**	80678.35	−997.07	−1.22	5.6
Canada	**S&P/TSX Comp**	16357.55	9.57	0.06	0.9
Mexico	**S&P/BMV IPC**	50260.25	285.77	0.57	1.8
Chile	**Santiago IPSA**	4382.30	−21.24	−0.48	4.1
EMEA	**Stoxx Europe 600**	402.81	0.70	0.17	3.5
Eurozone	**Euro Stoxx**	404.86	0.55	0.14	5.0
Belgium	**Bel-20**	4161.99	−14.89	−0.36	4.6
France	**CAC 40**	5535.26	−6.73	−0.12	4.2
Germany	**DAX**	13559.60	95.91	0.71	5.0
Israel	**Tel Aviv**	1533.68	2.22	0.14	1.6
Italy	**FTSE MIB**	23836.60	−53.58	−0.22	9.1
Netherlands	**AEX**	570.60	−0.22	−0.04	4.8
Russia	**RTS Index**	1283.75	−1.58	−0.12	11.2
Spain	**IBEX 35**	10609.50	25.50	0.24	5.6
Sweden	**SX All Share**	595.05	2.79	0.47	4.6
Switzerland	**Swiss Market**	9551.58	22.45	0.24	1.8
U.K.	**FTSE 100**	7731.83	16.39	0.21	0.6
Asia-Pacific					
Australia	**S&P/ASX 200**	6037.00	45.10	0.75	−0.5
China	**Shanghai Composite**	3546.50	45.14	1.29	7.2
Hong Kong	**Hang Seng**	32930.70	537.29	1.66	10.1
India	**S&P BSE Sensex**	36139.98	341.97	0.96	6.1
Japan	**Nikkei Stock Avg**	24124.15	307.82	1.29	6.0
Singapore	**Straits Times**	3592.08	22.65	0.63	5.6
South Korea	**Kospi**	2536.60	34.49	1.38	2.8
Taiwan	**Weighted**	11253.11	21.65	0.19	5.7

Sources: SIX Financial Information; WSJ Market Data Group

Percentage Gainers...

Company	Symbol	Latest Session Close	Net chg	% chg	52-Week High	Low	% chg
vTv Therapeutics Cl A	VTVT	7.59	1.68	28.43	8.09	3.57	32.5
Revolution Lighting Techs	RVLT	4.15	0.83	25.00	9.17	2.95	-34.4
Inovio Pharmaceuticals	INO	5.69	1.05	22.63	9.86	4.09	-8.1
ACM Research Cl A	ACMR	5.66	0.91	19.16	8.48	4.74	...
Helios Matheson Analy	HMNY	9.77	1.50	18.14	38.86	2.20	177.6
Zymeworks	ZYME	11.85	1.81	17.98	14.25	6.25	...
Forward Industries	FORD	2.92	0.43	17.27	4.45	1.02	133.6
VivoPower International	VVPR	2.55	0.34	15.26	5.33	2.08	-50.8
GenMark Diagnostics	GNMK	5.78	0.75	14.91	13.67	3.63	-53.6
CRISPR Therapeutics	CRSP	38.78	5.03	14.90	39.19	11.63	104.6
ResMed	RMD	100.35	12.84	14.67	104.78	66.18	43.9
Dawson Geophysical	DWSN	6.94	0.88	14.52	8.55	3.70	-14.5
Rocket Pharmaceuticals	RCKT	15.19	1.92	14.47	16.00	3.40	149.0
Dicerna Pharmaceuticals	DRNA	10.94	1.37	14.32	11.19	2.42	305.2
Fossil Group	FOSL	10.78	1.31	13.83	26.78	5.50	-58.2

Percentage Losers

Company	Symbol	Latest Session Close	Net chg	% chg	52-Week High	Low	% chg
Obalon Therapeutics	OBLN	3.46	-1.73	-33.33	13.18	3.40	-69.7
Pretium Resources	PVG	7.93	-2.86	-26.51	12.53	7.75	-25.6
Proteon Therapeutics	PRTO	2.05	-0.43	-17.17	2.85	1.10	...
Tyme Technologies	TYME	5.15	-0.93	-15.30	9.50	2.15	139.5
VelocityShares 3x	DGAZ	20.44	-2.99	-12.76	42.92	15.85	8.1
MagneGas	MNGA	2.83	-0.40	-12.25	84.00	2.75	-96.5
Aradigm	ARDM	2.14	-0.28	-11.57	7.35	0.78	13.2
Athenex	ATNX	14.48	-1.86	-11.38	20.79	11.21	...
Aeglea BioTherapeutics	AGLE	6.58	-0.82	-11.08	8.14	2.81	50.2
Jamba	JMBA	8.13	-1.01	-11.05	10.44	6.71	-12.6
China Customer Relations	CCRC	20.30	-2.52	-11.04	23.40	11.59	11.3
ShiftPixy	PIXY	3.69	-0.40	-9.78	11.64	2.00	...
Youngevity International	YGYI	4.98	-0.51	-9.21	7.00	3.00	-7.9
New Oriental Edu ADR	EDU	90.10	-8.84	-8.93	108.40	46.35	88.7
PS UlSh Bloomberg Nat Gas	KOLD	34.51	-3.21	-8.51	52.12	23.75	28.3

Most Active Stocks

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session Close	% chg	52-Week High	Low
General Electric	GE	119,479	31.9	16.89	4.45	30.59	15.80
SPDR S&P 500	SPY	79,493	3.2	283.29	0.21	283.62	226.27
iShares MSCI Emg Markets	EEM	55,575	7.2	50.97	0.47	50.99	37.10
Bank of America	BAC	54,696	-20.5	31.92	-0.06	32.13	22.07
Finl Select Sector SPDR	XLF	52,572	-9.7	29.81	0.10	29.86	22.00
Ford Motor	F	49,708	37.6	11.96	-0.50	13.48	10.47
Vale ADR	VALE	49,114	101.2	12.70	-4.65	13.57	7.47
Advanced Micro Devices	AMD	45,602	-15.8	12.94	2.29	15.65	9.70
Micron Technology	MU	39,878	2.5	43.95	2.50	49.89	22.26
iPath S&P 500 VIX ST Fut	VXX	38,274	8.2	26.69	1.68	81.28	25.59

* 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 AAA-A Rated Corp Bd	QLTA	639	6149	52.32	0.35	53.16	50.85
Obalon Therapeutics	OBLN	5,042	4651	3.46	-33.33	13.18	3.40
iSh iBonds Dec 2027 Corp	IBDS	800	2719	24.69	0.45	25.89	24.55
Jamba	JMBA	1,126	2573	8.13	-11.05	10.44	6.71
Franklin FTSE Brazil ETF	FLBR	297	2179	27.12	-1.63	27.59	23.32
iSh iBonds Dec 2025 Corp	IBDQ	846	1694	24.78	0.22	25.37	24.16
WisdTr ICBCCS S&P Ch 500	WCHN	133	1289	34.66	1.26	34.67	30.69
iSh iBonds Dec 2021 Corp	IBDM	1,455	1183	24.72	0.12	25.19	24.55
MS Income Secs	ICB	91	1074	19.05	5.07	19.21	17.54
Pretium Resources	PVG	16,542	1018	7.93	-26.51	12.53	7.75

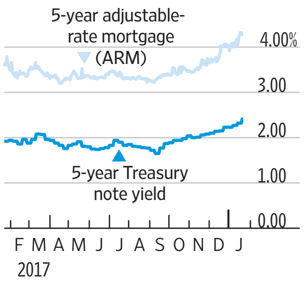
* Common stocks priced at $5 a share or more with an average volume over 65 trading days of at least 5,000 shares †Has traded fewer than 65 days

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

Five-year ARM, Rate

Bankrate.com avg†:	4.28%
NBT Bank, NA	2.50%
Canajoharie, NY	800-449-6842
Cambridge Trust Company	2.69%
Cambridge, MA	617-876-5500
Financial Resources Federal Credit Union	2.88%
Bridgewater, NJ	800-933-3280
Foxboro Federal Savings	2.88%
Foxboro, MA	877-369-3331
Farmington Bank	3.00%
Farmington, CT	877-376-2265

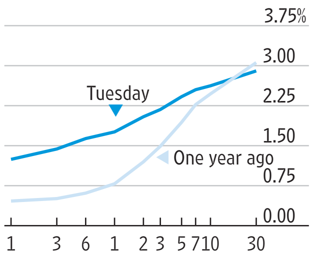
Interest rate	Yield/Rate (%) Last	Week ago	52-Week Range (%) Low	High	3-yr chg (pct pts)
Federal-funds rate target	1.25-1.50	1.25-1.50	0.50	1.50	1.25
Prime rate*	4.50	4.50	3.75	4.50	1.25
Libor, 3-month	1.75	1.73	1.03	1.75	1.49
Money market, annual yield	0.35	0.34	0.25	0.36	-0.07
Five-year CD, annual yield	1.54	1.52	1.20	1.54	0.08
30-year mortgage, fixed†	4.17	4.03	3.73	4.33	0.40
15-year mortgage, fixed†	3.62	3.46	2.99	3.62	0.59
Jumbo mortgages, $424,100-plus†	4.52	4.42	4.21	4.87	0.12
Five-year adj mortgage (ARM)†	4.28	4.04	3.20	4.32	0.62
New-car loan, 48-month	3.27	3.26	2.85	3.36	0.35

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

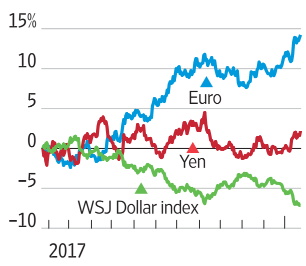
Yield to maturity of current bills, notes and bonds



Sources: Ryan ALM; Tullett Prebon; WSJ Market Data Group

Forex Race

Yen, euro vs. dollar; dollar vs. major U.S. trading partners



U.S.-dollar foreign-exchange rates in late New York trading

Country/currency	Tues in US$	Tues per US$	US$ vs, YTD chg (%)
Americas			
Argentina peso	.0517	19.3350	3.9
Brazil real	.3089	3.2371	−2.3
Canada dollar	.8051	1.2422	−1.2
Chile peso	.001641	609.50	−1.0
Ecuador US dollar	1	1	unch
Mexico peso	.0535	18.6961	−5.0
Uruguay peso	.03497	28.6000	−0.7
Venezuela b. fuerte	.097899	10.2147	−1.2
Asia-Pacific			
Australian dollar	.8000	1.2500	−2.4
China yuan	.1561	6.4045	−1.5
Hong Kong dollar	.1279	7.8189	0.1
India rupee	.01568	63.760	−0.2
Indonesia rupiah	.0000749	13343	−1.0
Japan yen	.009066	110.31	−2.1
Kazakhstan tenge	.003100	322.56	−3.0
Macau pataca	.1242	8.0517	0.1
Malaysia ringgit	.2546	3.9270	−3.3
New Zealand dollar	.7352	1.3602	−3.5
Pakistan rupee	.00903	110.760	0.1
Philippines peso	.0196	51.099	2.3
Singapore dollar	.7591	1.3173	−1.5
South Korea won	.0009312	1073.90	0.6
Sri Lanka rupee	.0064868	154.16	0.4
Taiwan dollar	.03422	29.222	−1.5
Thailand baht	.03143	31.820	−2.4
Vietnam dong	.00004403	22710	...

Country/currency	Tues in US$	Tues per US$	US$ vs, YTD chg (%)
Europe			
Czech Rep. koruna	.04843	20.647	−3.0
Denmark krone	.1652	6.0536	−2.4
Euro area euro	1.2298	.8132	−2.4
Hungary forint	.003977	251.45	−2.9
Iceland krona	.009768	102.37	−1.1
Norway krone	.1278	7.8233	−4.7
Poland zloty	.2952	3.3875	−2.6
Russia ruble	.01774	56.378	−2.3
Sweden krona	.1249	8.0073	−2.2
Switzerland franc	1.0443	.9576	−1.7
Turkey lira	.2655	3.7668	−0.7
Ukraine hryvnia	.0346	28.9340	2.8
UK pound	1.4000	.7143	−3.5
Middle East/Africa			
Bahrain dinar	2.6529	.3770	−0.04
Egypt pound	.0564	17.7165	−0.3
Israel shekel	.2933	3.4100	−2.0
Kuwait dinar	3.3309	.3002	−0.4
Oman sul rial	2.5973	.3850	0.02
Qatar rial	.2751	3.636	−0.4
Saudi Arabia riyal	.2666	3.7505	...
South Africa rand	.0831	12.0335	−2.7

	Close	Net Chg	% Chg	YTD % Chg
WSJ Dollar Index	84.08	−0.21	−0.25	−2.21

Sources: Tullett Prebon, WSJ Market Data Group

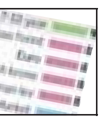
Corporate Borrowing Rates and Yields

Bond total return index	Close	Yield (%) Last	Week ago	52-Week High	Low	Total Return (%) 52-wk	3-yr
Treasury, Ryan ALM	1445.151	2.455	2.393	2.487	1.818	1.472	0.239
10-yr Treasury, Ryan ALM	1700.593	2.622	2.544	2.663	2.058	0.912	−0.489
DJ Corporate	378.311	3.311	3.218	3.390	2.879	4.867	2.757
Aggregate, Barclays Capital	1928.880	2.900	2.820	2.920	2.380	2.248	1.442
High Yield 100, Merrill Lynch	2882.196	5.499	5.467	5.890	4.948	6.415	4.888
Fixed-Rate MBS, Barclays	1973.580	3.140	3.020	3.140	2.660	1.587	1.426
Muni Master, Merrill	520.705	2.228	2.210	2.281	1.736	3.832	1.964
EMBI Global, J.P. Morgan	807.118	5.602	5.538	5.951	5.279	7.708	6.673

Sources: J.P. Morgan; Ryan ALM; S&P Dow Jones Indices; Barclays Capital; Merrill Lynch

COMMODITIES

	Close	Tuesday Net chg	% Chg	52-Week High	Low	% Chg	YTD % chg
DJ Commodity	634.39	2.35	0.37	634.39	532.01	9.32	1.44
TR/CC CRB Index	196.94	0.72	0.37	196.94	166.50	1.02	1.59
Crude oil, $ per barrel	64.47	0.90	1.42	64.47	42.53	21.23	6.70
Natural gas, $/MMBtu	3.444	0.220	6.82	3.44	2.56	5.03	16.63
Gold, $ per troy oz.	1335.70	4.80	0.36	1346.00	1188.10	10.36	2.25



FDIC Nominee Backs Small Banks

By Lalita Clozel

ANDREW HARRER/BLOOMBERG NEWS

Community banks were stifled by rules aimed at larger banks, Ms. McWilliams told a Senate panel.

WASHINGTON—The nominee to head the Federal Deposit Insurance Corp. plans to focus on easing regulatory requirements for community banks, encouraging the creation of new banks and tackling cybersecurity, she said at a Senate hearing Tuesday.

Jelena McWilliams, who is currently the top lawyer for Fifth Third Bancorp in Cincinnati, emphasized that she plans to speed up the process for reviewing deposit-insurance applications for banks, a key step toward opening a new institution.

"I will certainly make sure that the FDIC moves swiftly," Ms. McWilliams said to the Senate Banking Committee, where she had previously worked for a number of years. "We need to replenish the banks that actually closed down."

The number of deposit-insurance applications approved by the FDIC dwindled after the financial crisis, dropping from 237 in 2005 to roughly a dozen since 2009.

Additionally, Ms. McWilliams said she plans to review the capital and liquidity standards imposed on community banks after the financial crisis.

Ms. McWilliams said community banks had been stifled by requirements that were aimed at larger banks, including these stemming from Basel Committee on Banking Supervision agreements, as well as the Volcker rule, which prevents banks from engaging in speculative trading.

"The Basel requirements do apply to them even if it's not by regulation. It's the trickle-down effect," she said. "Community banks do not do proprietary trading. Nonetheless, they have to do compliance."

Asked where she stood on the concept of reviewing financial regulations through the lens of cost-benefit analysis, a popular refrain among Republicans seeking to undo postcrisis regulations, Ms. McWilliams said costly rules ultimately harmed consumers.

"Consumer credit is like a balloon. If you squeeze it here, it's going to come out there," she said. "The regulators should not shrink from their responsibilities" to evaluate the impact of rules, she added.

Ms. McWilliams also weighed in on industrial loan companies, a type of banking charter that has gained renewed prominence since online lender Social Finance Inc. and payments processor **Square** Inc. sought to open their own ILCs last year. SoFi has since dropped its plan. The charter has been controversial because it allows nonfinancial companies to own banks.

ILCs pose no greater risk to financial stability than traditional banks, Ms. McWilliams said. "The law of the land is that the ILCs exist," she added. "The job of the FDIC is to give each ILC application appropriate consideration."

Ms. McWilliams is waiting for the Senate panel to vote on her nomination. She then must be approved by the full Senate. If confirmed, Ms. McWilliams would complete the Trump administration's control of the bank regulators, joining Federal Reserve Chairman Jerome Powell, confirmed Tuesday by the Senate, and Joseph Otting, sworn in as comptroller of the currency in November.

Morgan Stanley Taps Asia Banker

By P.R. Venkat

SINGAPORE — **Morgan Stanley** said one of its global co-heads for consumer and retail investment banking will be based in Asia, signaling the increasing importance of deals in rapidly growing sectors in the region.

David Aronovitch, a longtime Morgan Stanley banker who is based in Hong Kong, will share his role with two other executives, according to an internal memo. A Morgan Stanley spokesman confirmed the contents of the memo.

Mr. Aronovitch, 41 years old, joined Morgan Stanley in 1998 as an analyst in its global capital markets division in New York. He has also worked for the bank in London and Singapore. He been running the consumer-and-retail group in Asia since 2009.

He has recently worked on cross-border deals for the firm, including McDonald's Corp.'s sale last year of its restaurants in China to a consortium of local investors and private-equity firms. He also advised Wal-Mart Stores Inc. in 2016 on the sale of its Chinese e-commerce business to retailer JD.com Inc., and worked on the sale of South Korea's Oriental Brewery to Anheuser-Busch InBev in 2014.

Morgan Stanley's two other co-heads of consumer and retail banking, David Ciagne and Ben Frost, are based in New York.

Mr. Aronovitch's appointment highlights a growing appetite for cross-border deals among companies looking to expand in domestic and overseas markets in the consumer sector. Last year, Morgan Stanley led Southeast Asian mergers-and-acquisition league tables by volume, advising on deals worth a total of $30.3 billion across all industries, according to Dealogic data.

UBS Shifts Managers of Its Wealth Division

By Brian Blackstone

ZURICH—**UBS Group** AG shuffled the top ranks of its wealth-management division, as the world's largest wealth manager continues to revamp a unit that is expected to be a key driver of profits but faces intense competition.

Christine Novakovic was named to head wealth management in Europe, Middle East and Africa, according to a memo sent to UBS employees on Monday. She will succeed Paul Raphael, who had led wealth management in EMEA and Latin America. The Latin American division will be led by Sylvia Coutinho, who had previously run the bank's Brazil business.

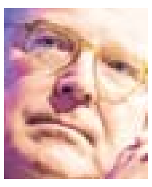
Reto Wangler will succeed Dirk Klee as the wealth unit's chief operating officer.

UBS said Monday that it was combining its global and Americas wealth-management units—which manage a combined 2.3 trillion francs ($2.4 trillion) in client assets—into one division with Martin Blessing and Tom Naratil as co-presidents.

Integrating the units "will allow us to better serve our clients, make further gains in efficiency and effectiveness, and generate greater synergies," the memo stated.

UBS is discussing "future opportunities" with Messrs. Raphael and Klee, according to the memo sent by Messrs. Blessing and Naratil.

Mr. Blessing, a former chief executive of German bank Commerzbank AG, had headed UBS's Swiss banking since 2016. He was named last month as global wealth-management chief following the unexpected departure of Juerg Zeltner. Mr. Naratil was president of Wealth Management Americas.



Martin Blessing is co-president of a unit that manages $2.4 trillion in client assets.

The combined wealth-management units posted adjusted pretax profit of 4.1 billion francs in 2017, up 14% from 2016, with more than 44 billion francs in net new money. The bank's overall profit last year was weighed down by a 2.9 billion franc write-down of deferred tax assets related to the recently enacted U.S. tax overhaul.

UBS has targeted annual, pretax profit growth in wealth management of 10% to 15% on 2%-4% net new-money growth annually.

UBS in recent years has geared its business toward managing wealthy clients' money while maintaining a streamlined investment bank. More recently, rival Credit Suisse Group AG has gone in a similar direction.

Recent data from the banks appear to support this shift. An October report from UBS showed billionaire wealth around the world up 17% in 2016 to $6 trillion, with the number of Asian billionaires surpassing those in the U.S. for the first time.

A subsequent report from Credit Suisse showed the number of dollar-based millionaires around the world rose in the year through mid-2017 by 2.3 million, with nearly half of them residing in the U.S.

UBS Chief Executive Sergio Ermotti said Monday he expects wealth management as a business to grow at twice the rate of global gross domestic product in the coming years.

Travelers Hit by Catastrophe Losses Related to California Fires

By Nicole Friedman

ERICK MADRID/ZUMA PRESS

Debris is cleared at a California home. Insurers were slammed by hurricanes, earthquakes in Mexico and California wildfires last year.

Travelers Cos. earnings fell in the fourth quarter due to losses from recent wildfires in California.

On Tuesday, the insurance firm said its pretax catastrophe losses, net of reinsurance, totaled $499 million during the quarter, compared with the range of $525 million to $675 million it provided in November. The company's catastrophe losses were $137 million a year earlier.

New York-based Travelers, part of the Dow Jones Industrial Average, is among the largest sellers of insurance to U.S. businesses and sells car and home insurance to individuals and families. It is one of the first big property-casualty insurers to report quarterly earnings, and its results are watched closely as a bellwether for others that follow.

Travelers' stock soared Tuesday as its results beat analysts' expectations.

The insurance industry was slammed in the second half of 2017 with three major hurricanes—Harvey, Irma and Maria—along with earthquakes in Mexico and wildfires in California. The industrywide losses from all of those events could near or exceed $100 billion, according to risk-modeling firms.

In September, Travelers paused its share-buyback program as it assessed the impacts of hurricanes Harvey and Irma. It resumed buybacks in November.

Much of the damage from last year's natural disasters was borne by reinsurers. These are specialty firms that agree to take responsibility for some of the risk in policies sold by insurers to businesses and individuals.

Travelers posted core operating earnings of $633 million, or $2.28 a share, down from $919 million, or $3.20 a share, a year earlier.

Core operating earnings are a widely watched industry benchmark because they exclude realized capital gains and losses in companies' big investment portfolios as well as items that aren't considered recurring in nature.

Travelers reported a $129 million charge on its deferred tax assets due to the new U.S. tax law.

Net premiums written, an important measure of revenue growth, rose 6% to $6.4 billion from $6.1 billion.

Overall, Travelers reported net income of $551 million, or $1.98 a share, down 40% from $943 million, or $3.28 a share, a year earlier. Total revenue, which includes investment income, rose 4% to $7.5 billion.

Analysts surveyed by Thomson Reuters had expected earnings of $1.51 a share on $6.3 billion in revenue.

Its shares rose 5% on Tuesday to $146.33.

Travelers announced last month that its president and chief operating officer, Brian MacLean, is set to retire at the end of March.

—Cara Lombardo contributed to this article.

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.

Tuesday, January 23, 2018

Fund	NAV	Net Chg	YTD %Ret
American Century Inv			
Ultra	47.21	+0.30	8.7
American Funds Cl A			
AmcpA p	33.80	+0.17	7.3
AMutlA p	42.64	-0.02	4.5
BalA p	28.13	+0.07	3.6
BondA p	12.78	+0.02	-0.7
CapIBA p	64.68	+0.11	3.0
CapWGrA	54.23	+0.18	6.1
EupacA p	59.96	+0.22	6.7
FdInvA p	66.37	+0.20	6.7
GwthA p	53.50	+0.36	8.0
HI TrA p	10.44	+0.02	1.0
ICAA p	42.68	+0.05	5.7
IncoA p	24.17	+0.04	3.4
N PerA p	46.57	+0.25	7.9
NEcoA p	48.11	+0.44	7.8
NwWrldA	70.86	+0.14	5.9
SmCpA p	59.20	+0.24	6.1
TxExA p	12.96	...	-0.4
WshA p	48.19	...	5.6
Baird Funds			
AggBdInst	NA	...	NA
CorBdInst	11.15	+0.02	-0.6
BlackRock Funds A			
GlblAlloc p	20.50	+0.08	4.1
BlackRock Funds Inst			
EqtyDivd	23.99	+0.04	5.4
GlblAlloc	20.62	+0.08	4.1
StratIncOpptyIns	10.07	+0.01	1.3
Bridge Builder Trust			
CoreBond	NA	...	NA
Dimensional Fds			
5GlbFxdInc	10.83	+0.01	-0.4
EmgMktVa	33.82	+0.15	8.3
EmMktCorEq	24.79	+0.10	6.8
IntlCoreEq	15.43	+0.04	6.1
IntlVal	21.99	-0.01	7.3
IntSmCo	22.46	+0.09	5.6
IntSmVa	24.19	+0.10	5.3
US CoreEq1	24.17	+0.04	6.1
US CoreEq2	22.83	+0.02	5.9
US Small	37.66	+0.05	4.8
US SmCpVal	39.69	-0.06	4.7
US TgdVal	26.19	-0.01	5.2
USLgVa	41.47	-0.03	6.0
Dodge & Cox			
Balanced	111.79	+0.19	4.5
Income	13.72	+0.02	-0.3
Intl Stk	49.95	+0.24	7.8
Stock	218.41	+0.45	7.3
DoubleLine Funds			
TotRetBdI	NA	...	NA
Edgewood Growth Instituti			
EdgewoodGrInst	32.42	+0.33	9.7
Federated Instl			
StraValDivIS	6.21	+0.01	1.0
Fidelity			
500IdxInst	99.32	+0.22	6.3
500IdxInstPrem	99.32	+0.22	6.3
500IdxPrem	99.32	+0.22	6.3
ExtMktIdxPrem r	65.30	+0.24	5.2
IntlIdxPrem r	45.90	+0.16	6.3
SAIUSLgCpIndxFd	15.18	+0.03	6.3
TMktIdxF r	81.03	+0.20	6.1
TMktIdxPrem	81.02	+0.20	6.1
USBdIdxInstPrem	11.47	+0.02	-0.9
Fidelity Advisor I			
NwInsghtI	34.65	+0.25	8.1
Fidelity Freedom			
FF2020	17.20	+0.06	3.8
FF2025	15.01	+0.05	4.2
FF2030	18.98	+0.07	5.1
Freedom2020 K	17.18	+0.06	3.8
Freedom2025 K	14.98	+0.05	4.2
Freedom2030 K	18.96	+0.08	5.2
Freedom2035 K	16.13	+0.08	6.0
Freedom2040 K	11.34	+0.05	6.1
Fidelity Invest			
Balanc	24.85	+0.12	4.7
BluCh	95.70	+0.84	9.0
Contra	133.53	+1.06	9.0
ContraK	133.46	+1.06	9.0
CpInc r	10.50	+0.02	2.2
DivIntl	42.65	+0.25	6.6
GroCo	196.27	+2.16	9.9
GrowCoK	196.24	+2.16	9.9
InvGB	7.85	+0.01	-0.7
InvGrBd	11.15	+0.02	-0.7
LowP r	57.87	+0.20	6.1
LowPriStkK r	57.81	+0.19	6.1
MagIn	112.93	+0.51	8.0
OTC	119.53	+1.09	8.8
Puritn	24.54	+0.08	4.8
SrsEmrgMkt	23.18	+0.13	8.3
SrsGroCoRetail	18.29	+0.20	10.0
SrsIntlGrw	17.25	+0.14	6.8
SrsIntlVal	11.45	+0.03	7.1
TotalBond	10.57	+0.02	-0.5
First Eagle Funds			
GlbA	61.84	+0.17	4.7
FPA Funds			
FPACres	35.99	-0.03	3.7
FrankTemp/Frank Adv			
IncomeAdv	2.41	...	2.6
FrankTemp/Franklin A			
CA TF A p	7.42	...	-0.6
IncomeA p	2.43	...	2.5
RisDv A p	64.06	-0.16	4.7
FrankTemp/Franklin C			
Income C t	2.47	+0.01	2.9
FrankTemp/Temp A			
GlBond A p	12.02	-0.07	1.3
Growth A p	29.10	+0.17	6.7
FrankTemp/Temp Adv			
GlBondAdv p	11.97	-0.08	1.3
Harbor Funds			
CapApInst	76.10	+0.76	9.6
IntlInst r	72.89	+0.40	8.0
Harding Loevner			
IntlEq	NA	...	NA
Invesco Funds A			
EqIncA	11.43	+0.01	4.3
John Hancock Class 1			
LSBalncd	15.75	+0.05	3.7
LSGwth	16.89	+0.06	5.0
John Hancock Instl			
DispValMCI	24.49	+0.04	5.1
JPMorgan Funds			
MdCpVal L	41.91	+0.13	4.0
JPMorgan R Class			
CoreBond	11.51	+0.03	-0.7
Lazard Instl			
EmgMktEq	21.47	+0.20	7.2
Loomis Sayles Fds			
LSBondI	13.92	+0.01	1.2
Lord Abbett A			
ShtDurIncmA p	4.24	...	...
Lord Abbett F			
ShtDurIncm	4.24	+0.01	...
Metropolitan West			
TotRetBd	10.57	+0.02	-0.7
TotRetBdI	10.57	+0.02	-0.7
TRBdPlan	9.94	+0.02	-0.8
MFS Funds Class I			
ValueI	42.90	+0.02	5.2
MFS Funds Instl			
IntlEq	26.95	+0.17	5.9
Mutual Series			
GlbDiscA	33.45	+0.10	5.2
Oakmark Funds Invest			
EqtyInc r	33.53	+0.05	4.2
Oakmark	90.63	+0.35	7.5
OakmrkInt	30.76	+0.07	7.7
Old Westbury Fds			
LrgCpStr	15.34	+0.06	6.1
Oppenheimer Y			
DevMktY	46.23	+0.09	7.7
IntGrowY	46.20	+0.16	5.9
Parnassus Fds			
ParnEqFd	44.87	...	5.2
PIMCO Fds Instl			
AllAsset	NA	...	NA
TotRt	NA	...	NA
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	105.94	+1.07	10.0
CapApp	29.26	+0.07	3.5
EqInc	35.20	+0.07	5.6
EqIndex	76.20	+0.17	6.3
Growth	68.17	+0.62	8.8
HelSci	77.14	+0.62	9.7
InstlCapG	40.54	+0.39	9.8
IntlStk	19.82	+0.11	6.2
IntlValEq	15.99	+0.03	5.8
MCapGro	92.78	+0.28	6.6
MCapVal	31.88	+0.06	4.9
N Horiz	56.22	+0.35	6.9
N Inc	9.41	+0.01	-0.7
OverS SF r	12.04	+0.04	6.5
R2020	23.35	+0.07	3.6
R2025	18.31	+0.05	4.1
R2030	27.12	+0.09	4.6
R2035	19.93	+0.07	5.1
R2040	28.71	+0.11	5.4
Value	39.28	+0.07	5.3
PRIMECAP Odyssey Fds			
AggGrowth r	48.80	+0.41	10.1
Growth r	40.89	+0.25	9.8
Principal Investors			
DivIntlInst	14.81	+0.03	6.5
Prudential Cl Z & I			
TRBdZ	14.46	+0.03	-0.6
Schwab Funds			
S&P Sel	43.77	+0.09	6.3
TIAA/CREF Funds			
EqIdxInst	20.85	+0.05	6.1
IntlEqIdxInst	21.46	+0.06	6.4
Tweedy Browne Fds			
GblValue	29.61	+0.04	3.9
VANGUARD ADMIRAL			
500Adml	262.31	+0.58	6.3
BalAdml	35.87	+0.08	3.3
CAITAdml	11.72	-0.01	-0.3
CapOpAdml r	166.91	+0.58	8.7
EMAdmr	41.50	+0.19	8.7
EqIncAdml	81.52	-0.01	4.6
ExplrAdml	93.98	+0.38	6.3
ExtndAdml	89.20	+0.32	5.2
GNMAAdml	10.37	+0.01	-0.7
GrwthAdml	77.83	+0.42	7.6
HlthCareAdml r	92.27	+0.27	6.4
HYCorAdml r	5.93	...	0.4
InfProAd	25.43	+0.05	-0.7
IntlGrAdml	104.24	+0.55	9.1
ITBondAdml	11.22	+0.03	-1.1
ITIGradeAdml	9.65	+0.02	-0.8
LTGradeAdml	10.42	+0.04	-1.9
MidCpAdml	201.85	+0.69	5.4
MorgAdml	98.41	+0.55	8.5
MuHYAdml	11.36	...	-0.5
MuIntAdml	14.06	...	-0.3
MuLTAdml	11.58	...	-0.6
MuLtdAdml	10.89	...	0.1
MuShtAdml	15.73	+0.01	0.2
PrmcpAdml r	144.69	+0.57	8.3
REITAdml r	114.17	+1.52	-2.9
SmCapAdml	74.24	+0.26	4.9
STBondAdml	10.33	...	-0.4
STIGradeAdml	10.59	+0.01	-0.2
TotBdAdml	10.65	+0.02	-0.8
TotIntBdIdxAdm	21.68	+0.02	-0.1
TotIntlAdmIdx r	32.49	+0.12	6.5
TotStAdml	70.79	+0.17	6.1
TxMIn r	15.26	+0.06	5.9
ValAdml	43.56	-0.02	5.2
WdsrIIAdml	71.17	+0.10	6.0
WellsIAdml	66.00	+0.08	1.1
WelltnAdml	75.06	+0.07	3.4
WndsrAdml	83.80	+0.15	6.1
VANGUARD FDS			
DivdGro	27.93	-0.02	5.2
HlthCare r	218.79	+0.65	6.4
INSTTRF2020	23.23	+0.06	3.1
INSTTRF2025	23.71	+0.06	3.7
INSTTRF2030	24.09	+0.06	4.2
INSTTRF2035	24.48	+0.07	4.7
INSTTRF2040	24.87	+0.07	5.3
INSTTRF2045	25.12	+0.07	5.5
IntlVal	42.54	+0.17	6.7
LifeCon	20.38	+0.04	2.1
LifeGro	35.31	+0.10	4.9
LifeMod	28.08	+0.06	3.5
PrmcpCor	28.95	+0.08	7.6
SelValu r	32.94	+0.13	5.3
STAR	27.91	+0.08	4.1
STIGrade	10.59	+0.01	-0.2
TgtRe2015	15.68	+0.03	2.3
TgtRe2020	32.36	+0.08	3.1
TgtRe2025	19.18	+0.05	3.7
TgtRe2030	35.04	+0.08	4.2
TgtRe2035	21.66	+0.05	4.7
TgtRe2040	37.65	+0.10	5.3
TgtRe2045	23.74	+0.06	5.5
TgtRe2050	38.21	+0.11	5.6
TgtRetInc	13.76	+0.03	1.5
TotIntBdIxInv	10.84	+0.01	-0.1
WellsI	27.24	+0.03	1.1
Welltn	43.47	+0.05	3.4
WndsrII	40.11	+0.06	6.0
VANGUARD INDEX FDS			
500	262.29	+0.57	6.3
ExtndIstPl	220.13	+0.80	5.2
SmValAdml	59.43	+0.14	4.2
TotBd2	10.61	+0.02	-0.9
TotIntl	19.42	+0.07	6.5
TotSt	70.76	+0.17	6.1
VANGUARD INSTL FDS			
BalInst	35.88	+0.08	3.3
DevMktsIndInst	15.28	+0.06	5.9
DevMktsInxInst	23.88	+0.08	5.9
ExtndInst	89.20	+0.33	5.3
GrwthInst	77.84	+0.43	7.6
InPrSeIn	10.36	+0.02	-0.7
InstIdx	258.74	+0.57	6.3
InstPlus	258.76	+0.57	6.3
InstTStPlus	63.10	+0.16	6.1
MidCpInst	44.59	+0.15	5.4
MidCpIstPl	219.91	+0.75	5.4
SmCapInst	74.24	+0.26	4.9
STIGradeInst	10.59	+0.01	-0.2
TotBdInst	10.65	+0.02	-0.8
TotBdInst2	10.61	+0.02	-0.9
TotBdInstPl	10.65	+0.02	-0.8
TotIntBdIdxInst	32.54	+0.03	-0.1
TotIntlInstIdx r	129.92	+0.49	6.5
TotItlInstPlId r	129.94	+0.48	6.5
TotStInst	70.80	+0.17	6.1
ValueInst	43.56	-0.02	5.2
Western Asset			
CorePlusBdI	11.75	+0.03	-0.6

U.S. Trade Position Puts Focus on Dollar

BY CHELSEY DULANEY

The Trump administration's shift this week back to its "America First" trade policies is putting the spotlight back on the U.S. dollar, which economists say is still too strong even after the currency notched its worst year in a decade.

CURRENCIES

Economists at the Institute of International Finance estimated Monday that the greenback remains about 10% overvalued despite a yearlong slide that has driven the currency down nearly 8% against a basket of 16 currencies tracked by The Wall Street Journal.

The dollar's value has been a subject of much debate since the 2016 election of President Donald Trump. He has blamed the dollar's strength—and foreign currencies' weakness—for the yawning $500 billion annual U.S. trade deficit. A stronger dollar can hurt U.S. manufacturers and multinationals by making their products more expensive to overseas buyers.

But the administration had largely held back on many of its trade-related threats, such as slapping tariffs on countries it believes are using unfair trade practices or labeling China a currency manipulator. That changed Monday, when the administration announced steep tariffs on imports of cheap solar panels and washing machines aimed at Asian manufacturers, the first step in what officials said would be a series of trade-enforcement actions in the coming months.

To fully close the U.S. trade imbalance, the IIF estimates the dollar would need to fall another 10% from its current levels. IIF economists say the dollar has furthest to fall against the currencies of Asian nations, such as China's yuan, with which the U.S. runs its largest trade deficits.

"A shift in trade rhetoric from the U.S. is emerging as the next major market theme," said analysts at TD Securities in a research note Tuesday.

Falling Demand Hits The U.S. Currency

The U.S. dollar slipped Tuesday as a decline in government-bond yields reduced investor demand for the currency.

The Wall Street Journal Dollar Index, which measures the currency against a basket of 16 others, fell 0.2% to 84.08.

The dollar fell 0.6% against the yen, to ¥110.31, after Bank of Japan Gov. Haruhiko Kuroda continued his efforts to cool speculation that the bank will raise interest rates this year. Bond yields in the U.S. also fell after the Japanese central bank signaled it isn't ready to join a global wave of unwinding led by the Federal Reserve. BOJ policies range from negative interest rates to purchasing the country's government bonds.

The decline in bond yields "doesn't help the dollar," said Brian Daingerfield, a strategist at NatWest Markets.

While economic data in the U.S. continue to show signs of solid growth, the broad context that has been driving the value of the dollar has been to view the U.S. expansion as fueling world-wide consumption and activity, Mr. Daingerfield said. "People are looking at the impact of more U.S. growth on the global economy" rather than what it means for the Fed's cycle of rate increases, he said.

That sentiment reflects a forecast by the International Monetary Fund released Monday that projects global economic growth will reach an inflation-adjusted 3.9% this year and in 2019—which would be the strongest since 2011—due largely to the U.S. tax-cut plans.

—Daniel Kruger

Earnings Send Stocks Up

Netflix and others push S&P 500 to a record following solid quarterly results

BY AMRITH RAMKUMAR AND DAVID HODARI

MATT KENNEDY/ASSOCIATED PRESS

A scene from the Netflix movie 'Bright.' Netflix posted subscriber growth and sales above forecasts.

The S&P 500 climbed to a record following the latest batch of corporate earnings.

Investors say a rosy economic and policy backdrop has stocks poised to continue marching higher, though some are concerned about the pace of the rally and elevated earnings expectations.

TUESDAY'S MARKETS

The S&P 500 has set 12 records this month—the most ever in January, according to WSJ Market Data Group.

"The news is looking like it's going to be good for a while," said Thomas Martin, senior portfolio manager at Globalt Investments in Atlanta. "The bias is going to be upward."

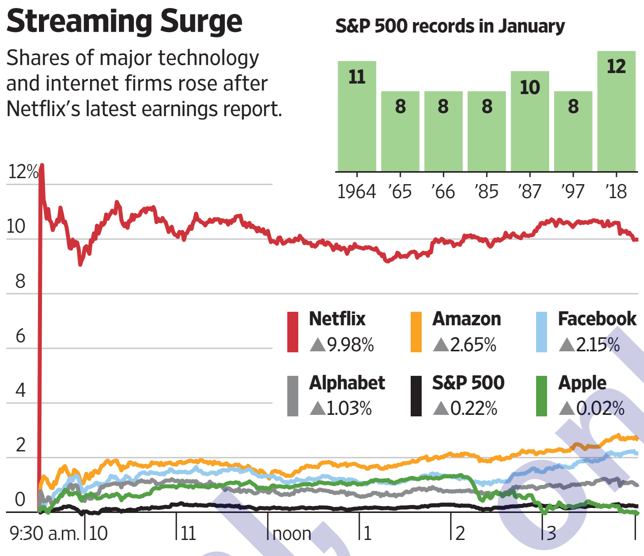
Still, "everybody is concerned that sentiment is at very, very high levels," he added. "You've seen the estimates for growth this year increase—that is a high level of expectations."

The S&P 500 added 6.16 points, or 0.2%, to 2839.13, while the Dow Jones Industrial Average closed down 3.79 points, or less than 0.1%, at 26210.81. The tech-heavy Nasdaq Composite climbed 52.26 points, or 0.7%, to 7460.29.

Netflix was among the biggest movers Tuesday, surging $22.71, or 10%, to a high of $250.29 after reporting strong subscriber growth and sales that topped analyst expectations late Monday. The streaming-video company's stock is up 30% this year, as the best-performing internet firms have continued to lead major indexes higher.

Streaming Surge

Shares of major technology and internet firms rose after Netflix's latest earnings report.



Source: WSJ Market Data Group

THE WALL STREET JOURNAL.

A number of other firms across industries also exceeded analysts' expectations for revenue, including **Johnson & Johnson**, **Travelers** and **Verizon Communications**. Verizon was among the companies that said it expects recently passed tax changes to boost results moving forward.

"A lot of people are suggesting that the true extent of the tax cuts could be quite a lot more beneficial in both the U.S. and Europe" than companies previously projected, said Edward Park, a director at asset manager Brooks Macdonald.

Treasury yields fell Tuesday after Bank of Japan Gov. Haruhiko Kuroda continued his efforts to squash speculation that the bank will raise rates this year. The yield on the 10-year U.S. Treasury note fell to 2.622% from 2.663% Monday—its highest close since April 2014. Yields fall as bond prices rise.

Investors will be focusing on the European Central Bank's next policy release, expected later this week, for clues about whether its long-held accommodative monetary policy will end in the coming months.

The Stoxx Europe 600 climbed 0.2% Tuesday, lifted by shares of health-care and travel and leisure companies.

Shares of **Sky** rose 2.3% after British antitrust regulators said the broadcaster's $15.5 billion takeover by **21st Century Fox** would be against the public's interest. Fox and **News Corp**, the publisher of The Wall Street Journal, share common ownership.

Asian indexes rose despite some analysts' concerns about the impact of U.S. tariffs on imports of washing machines and solar panels. Japan's Nikkei rose 1.3% to its highest close since 1991, while Hong Kong's Hang Seng added 1.7% and posted a record. At midday Wednesday, the Nikkei was down 0.6% and the Hang Seng was off 0.3%.

—Gregor Stuart Hunter contributed to this article.

Gas Leaps On Wagers Cold Wave Is on Way

BY ALISON SIDER

Natural-gas prices surged Tuesday, posting their biggest daily gains in over a year as traders bet that a cold spell is just around the corner.

Natural gas for February delivery rose 22 cents, or 6.82%, to $3.444 a million British thermal units on the New York Mercantile Exchange—the highest settlement since Dec. 30, 2016.

COMMODITIES

Just a few weeks ago, February natural-gas futures were trading below $3, with some figuring that the worst of winter had passed following a record cold spell in early January.

"It's a pretty impressive move in a short period. It's a reminder that we're not out of the woods yet with winter," said Andy Huenefeld, price-risk manager at Kinect Energy.

Natural gas is used to heat around half of U.S. homes, so cold weather can cause demand to spike. A recent spate of mild weather had weighed on the market, but weather forecasts are beginning to say temperatures are likely to fall again in February.

"The big story this morning is that the flip back to a colder pattern continues advancing forward," analysts at Commodity Weather Group wrote Tuesday, adding that the first colder-than-normal days could start around Feb. 4.

With the amount of natural gas in storage already at a 12.3% deficit to the five-year average, the shift in weather outlooks has traders scrambling. Some who sold February contracts bet that winter was on its way are having to cover positions, said Tom Saal, senior vice president at INTL FCStone.

"People sold February and bought March, figuring that winter was over. Now they have to buy February and sell March," he said.

ANDREY RUDAKOV/BLOOMBERG NEWS

Despite sharp gains in oil prices, currencies of countries that produce a lot of oil have lagged behind for an array of reasons.

Oil Fails to Pump Up Currencies

BY SAUMYA VAISHAMPAYAN

The seven-month surge in oil prices has left oil-linked currencies in the dust.

U.S. crude oil has gained roughly 50% since its most recent bottom of $42.53 a barrel on June 21. But the currencies of countries that produce a lot of oil have lagged behind. The Norwegian krone has advanced 8.4% against the U.S. dollar over the same period, while the Russian ruble and Canadian dollar have each gained about 6% against the greenback.

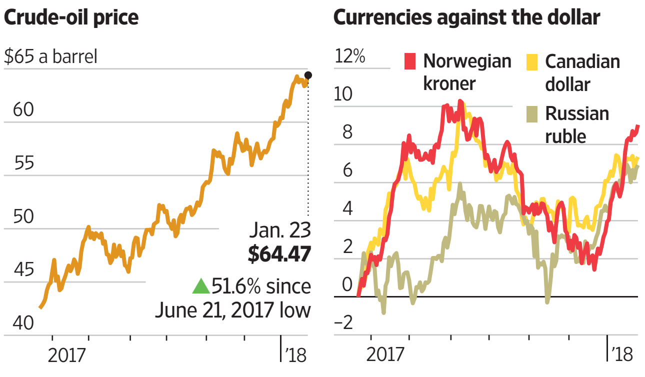
Those currencies don't even stand out globally. Over the same time, the dollar has dropped against several of its peers, with the ICE U.S. Dollar Index falling about 7% since June 21.

The divergence between oil and oil-linked currencies is unusual. Typically currencies of producing nations do well as oil rises, as they earn more from exports and investor confidence in their economies grows.

This time around, there are a few reasons why oil and currencies such as the ruble are out of sync, according to Société Générale.

Oil on Top

The performance of oil-linked currencies has trailed the gain in U.S. crude oil.



Sources: WSJ Market Data Group (crude); Tullett Prebon (currencies)

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The oil rally is being helped by a dynamic called backwardation, which means that long-term futures contracts are cheaper than short-dated contracts. An investor who doesn't want to end up with a barrel of oil will make money by rolling their futures contracts forward, essentially selling expensive contracts and buying cheaper ones.

While this technical factor is driving oil higher, it doesn't necessarily mean there has been a fundamental improvement in the outlook for oil-producing countries—at least, not enough to drive the same size of surge in their currencies as in oil prices.

"There's a clear attraction to having some exposure to oil or commodities in your portfolio," said Virendra Chauhan, an oil analyst at Energy Aspects in Singapore.

Many investors remain focused on other market drivers.

"The oil play is not on at all," said Christopher Brandon, a principal at Rhicon Currency Management. "It's either the hunt for yield or interest rates."

That is the case for James Kwok, head of currency management for Amundi Asset Management in London, who says his bet that the Canadian dollar will decline is driven by his view on interest rates rather than oil prices. Mr. Kwok believes Canada's high level of household borrowing could limit the central bank's ability to raise rates, which should drag on the Canadian dollar against currencies like the euro.

Another reason oil-linked currencies aren't rising as dramatically as oil itself now is that they also didn't fall quite as rapidly when crude plunged in 2014.

The relationship between oil and currencies such as the ruble is often stronger when oil prices are tumbling, as investors quickly dump everything crude-related. When oil prices are rising, however, investors tend to buy oil-linked currencies that are also buoyed by other factors, according to Société Générale.

BOJ Remarks Boost Treasurys

BY SAM GOLDFARB

U.S. government bonds strengthened Tuesday after Bank of Japan Gov. Haruhiko Kuroda undercut speculation that the central bank was close to ending its postcrisis stimulus policies.

CREDIT MARKETS

The yield on the benchmark 10-year U.S. Treasury note settled at 2.622%, compared with 2.663% Monday, logging its first decline after four sessions of increases. Yields fall when bond prices rise.

Following the BOJ's latest policy meeting, Mr. Kuroda said the central bank wasn't ready to even discuss an exit from monetary stimulus, given that inflation was still less than halfway to its target.

That message helped bolster government bonds across developed markets, sending a cautionary signal to investors that major central banks could take their time shifting to tighter monetary policies despite an improved global-growth outlook. Investors have speculated that better economic data would allow the BOJ and European Central Bank to stop adding to their bond portfolios.

AUCTION RESULTS

Here are the results of Tuesday's Treasury auctions. All bids are awarded at a single price at the market-clearing yield. Rates are determined by the difference between that price and the face value.

FOUR-WEEK BILLS

Applications	$123,090,839,300
Accepted bids	$35,000,543,000
" noncompetitively	$611,790,300
" foreign noncompetitively	$0
Auction price (rate)	99.904333 (1.230%)
Coupon equivalent	1.248%
Bids at clearing yield accepted	87.48%
Cusip number	912796NT2

The bills, dated Jan. 25, 2018, mature on Feb. 22, 2018.

TWO-YEAR NOTES

Applications	$87,585,235,300
Accepted bids	$29,821,227,800
" noncompetitively	$344,604,300
" foreign noncompetitively	$100,000,000
Auction price (rate)	99.871340 (2.066%)
Interest rate	2.000%
Bids at clearing yield accepted	89.23%
Cusip number	9128283S7

The notes, dated Jan. 31, 2018, mature on Jan. 31, 2020.

MARKETS

China Draws Gas Out of Global Market

By Sarah McFarlane And Nathaniel Taplin

The country has been shifting away from coal as an energy source, boosting demand for liquefied natural gas.

China is replacing coal with gas, sucking up global supplies of the fuel and pushing up the price of liquefied natural gas to a three-year high.

The world's No. 2 economy is cutting back on coal after President Xi Jinping made a cleaner environment a key priority at last fall's Communist Party Congress.

That has left swaths of industry in China struggling with limited gas, including giants such as German chemical company **BASF** SE and local producer **Yunnan Yuntianhua** Co., as supplies are diverted to households that had previously relied on coal for heating.

China's smog levels are still well in excess of World Health Organization standards, and analysts see no letup in the country's move out of coal, which releases more greenhouse-gas emissions than gas.

That is good news for the LNG industry, which ships super-chilled gas in its liquid form, at a time when large amounts of new supply has limited price gains.

"We were optimistic on the opportunity in China, but the magnitude surprised us," said Anatol Feygin, chief commercial officer at U.S. LNG exporter **Cheniere Energy** Inc.

Cheniere opened an office in Beijing in 2017 to market its LNG and is in discussions with **China National Petroleum** Corp. for a long-term sales contract for U.S. gas. Among others, Malaysia's national energy company, **Petronas**, announced plans last year to expand its LNG sales in Southern China.

The price of LNG delivered to Asia hit $11.70 per million British thermal units this month, its highest level since November 2014, according to the Platts JKM benchmark price.

Chinese LNG imports rose almost 50% in 2017, and the country has now eclipsed South Korea to become the world's second-largest importer behind Japan.

The extra imports still haven't been enough for some parts of Chinese industry.

On Dec.12, BASF stopped producing some chemicals at a Chongqing-based facility because of "a supply shortage of natural gas," it said at the time. The company told The Wall Street Journal on Tuesday that its production remained suspended and it is unclear when it will resume.

Yunnan Yuntianhua said on Dec. 13 that its ammonia and urea production lines in the southwest province of Yunnan were halted due to "partial suspension in natural-gas supply in southwest regions" to ensure heating demand for residents in the winter, according to a Shanghai stock exchange filing.

Analysts say that given Beijing's public commitment to improving air quality, the shift away from coal is unlikely to lose urgency over the medium term. But neither will China let citizens freeze, meaning that gas supplies will continue to be diverted to households.

"It's clear that Beijing will continue its push to reduce reliance on coal," said Fan Qingtian, senior analyst at Changjiang Futures Co.

China has committed to increasing gas's share of its energy mix to 10% by 2020 from its current level of around 7%. That could increase annual gas demand by more than 50% from 2016 levels to 325 billion cubic meters, according to Bernstein. Even after accounting for the growth, gas consumption in China will remain a fraction of consumption in Germany, Japan or the U.S.—a sign of the long-term potential in the market, Bernstein analysts also said.

"There's an issue of how quickly can this be achieved without creating bottlenecks and price spikes especially when it's cold," said Kerry Anne Shanks, head of Asia Pacific LNG research at consultancy Wood Mackenzie.

The surge in demand from China couldn't have come at a better time for the LNG market. A wave of new projects in Australia, the U.S. and Russia have helped keep the price of LNG at almost half its 2014 peak of more than $20 per million BTUs.

Royal Dutch Shell PLC, the biggest LNG shipper and producer, estimates that from 2016 to 2020, trade will increase by about a third to 350 million tonnes a year.

"I think part of the reason [China] decided to do this was they knew they could purchase extra amounts from the market without tripling the price of LNG," said Alan Townsend, senior energy specialist at the World Bank.

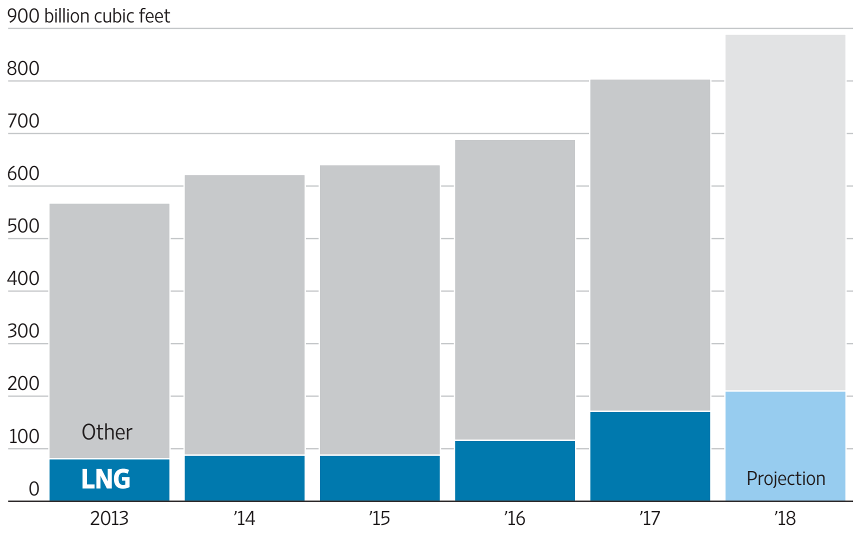
As it takes in more gas, China has been beefing up import facilities, according to consultancy Energy Aspects.

At the end of last year, China had the capacity to import 56 million tonnes of LNG a year, and that is set to rise by a third to 74 million tonnes by 2020. A new pipeline from Russia to China is due to be completed in 2019, plus production from domestic gas fields is ramping up.

The move to gas is set to stay. "Once certain cities, industries go into gas, they can't get out; it's that simple, even if the price increases," said Javier Moret, global head of LNG at RWE Supply & Trading GmbH.

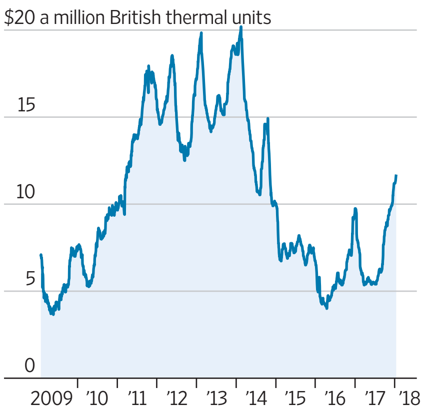
—Yifan Xie contributed to this article.

Natural-gas demand in China is projected to continue to rise.

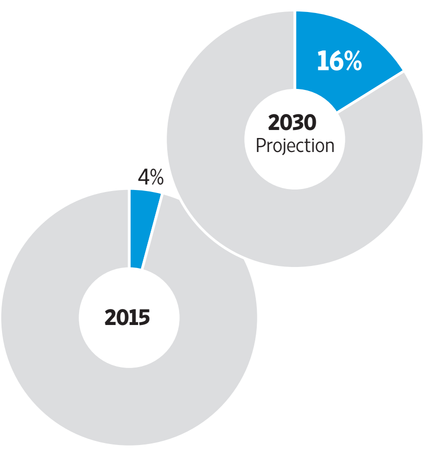


The higher demand has helped lift LNG prices in Asia.

Platts JKM benchmark price

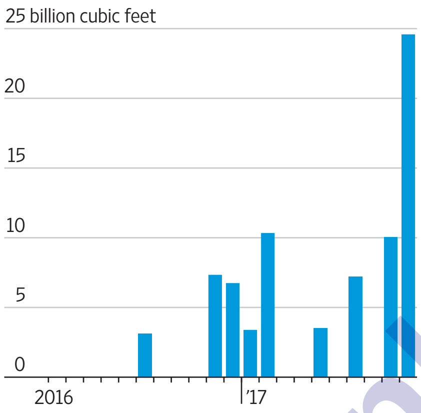


China's share of global LNG demand is also forecast to increase.



U.S. exports of LNG to China*

Monthly data



*U.S. started exporting LNG only in 2016.

Sources: S&P Global Platts (natural-gas demand, price); Royal Dutch Shell interpretation of Wood Mackenzie data (share); EIA (exports)

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Cuts Won't Save Consumer Brands

Cutting costs and prices won't save consumer-products makers. Their tax-cut windfall should push companies like **Procter & Gamble** and **Kimberly-Clark** to reinvigorate their product lines.

The trends hurting sales at these companies include younger, more cost-conscious customers who can more easily compare prices online, as well as competition from cheaper local brands in key emerging markets like China. In the case of diapers and other baby-care products, declining U.S. birth rates also are an issue.

In response, both companies have moved to cut prices on key products such as diapers. Kimberly-Clark, maker of Huggies, and P&G, maker of Pampers and Luvs, both had sagging results in their diaper businesses in the three months to December. Kimberly-Clark's personal-care segment, which includes baby care, recorded a sales rise of just 1% from a year earlier, hit by a 3% decline in net selling prices. At P&G, sales in the baby-and-family-care segment fell 1% on declines in both volume and price.

P&G, whose product portfolio is more diverse, was boosted during the quarter by stronger results in other lines such as beauty and health care. But higher input costs and price cuts continued to weigh on margins.

Kimberly-Clark already has a long-term program which aims to save $1.5 billion through 2021. On top of that, the company on Tuesday announced it will cut at least 5,000 jobs, or about 13% of its workforce, to take out an additional half a billion dollars of costs by 2021.

But forcing costs lower won't be enough. Investors are eager to see a return to strong sales growth at both companies. This will require continued investment in improved products, and possibly even expansion into new product lines through acquisitions.

Instead, both companies have continued to prioritize the short-term pampering of shareholders. Kimberly-Clark announced a 3% increase to its dividend, boasting that this was the 46th consecutive annual increase. P&G said it now expects to buy back $6 billion to $8 billion of shares through the fiscal year ending in June, up from the $4 billion to $7 billion previously planned.

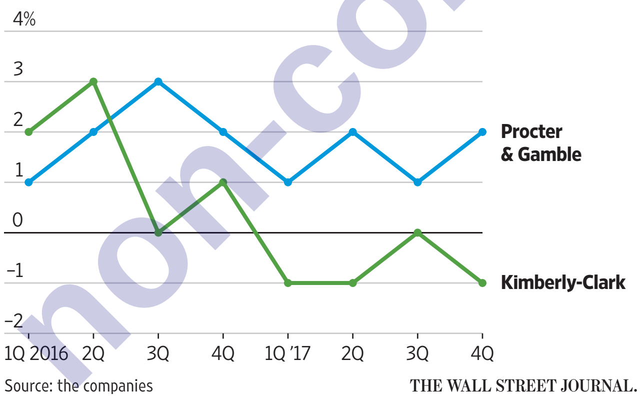
But on a conference call, Bank of America Merrill Lynch analyst Olivia Tong said she was surprised by the higher buyback, because "you've said you aren't suffering from a lack of ideas." She asked how the company plans to use money from a lower tax rate over the long run, including possible acquisitions.

When sell-side analysts complain you may be buying back too much stock, you have a problem. To keep investors happy, these consumer groups need to start showing some momentum.

—Aaron Back

Where's the Growth?

Organic sales, change from year earlier



Source: the companies

THE WALL STREET JOURNAL.

OVERHEARD

Focus on your strengths.

Tesla unveiled a 10-year compensation plan for CEO and Chairman **Elon Musk** on Tuesday. His future compensation will be paid entirely in stock options that vest only if the company hits certain market-value milestones as well as financial targets tied to revenue and adjusted earnings before interest, taxes, depreciation and amortization. Mr. Musk would receive options equivalent to 1% of Tesla's total shares outstanding for each milestone. Tesla's market capitalization would need to rise more than 10-fold to $650 billion in order for Mr. Musk to earn the full option grant.

Some should be simple. Tesla's market value has risen for years, despite numerous missed production forecasts. Revenue and adjusted Ebitda should grow as the Model 3 comes online.

Positive net income and free cash flow, which have eluded Tesla for years, are conveniently omitted from the targets.

Central Bank Inaction Is Seen as Shift

The Bank of Japan stuck to its policy guns Tuesday. The European Central Bank is likely to do the same on Thursday. But even a lack of immediate action can't stop market perceptions of shifting.

Government-bond yields have moved higher in 2018. Last year, such rises were generally quickly reversed, often in response to reassuring messages from central bankers.

But nerves have been jangled in January. First, a small tweak to the BOJ's government-bond purchases raised questions about a shift in policy. Then the account of the ECB's December meeting was perceived as more hawkish than the tone struck by President Mario Draghi in his news-conference comments. One concern is that there is a growing gap between crisis-era negative interest rates and asset purchases and a buoyant global economy, and jubilant asset markets. Leaving monetary-policy settings unchanged is providing more and more stimulus.

That leaves a narrow path for central banks to walk. JPMorgan Chase economists now think the ECB will stop bond purchases in September and have moved forward the first rate rise in 2019 to March.

For markets, that means bond yields could remain higher. Crucially, however, equity markets have powered on. The S&P 500 sports a total return above 6% this year while U.S. Treasurys are down 1.2%.

Ultimately, higher bond yields would be a sign of success for central banks. But equally, they signal a fresh test, raising questions about just how long policy can stay so loose.

—Richard Barley

Don't Worry, the China Trade War Hasn't Arrived—Yet

President Donald Trump's long-anticipated fusillade against what he calls unfair trade has finally been launched—against South Korean washing machines.

Mr. Trump was elected after campaigning on a promise to get tough on Chinese trade, but his first year in office was notable more for rhetoric than action. The administration's decision on Monday to slap steep new tariffs on solar-panel and washing-machine imports looks different. Is the long-feared China trade war finally here?

Appearances can be deceiving. China is the world's largest solar-cell producer but already faced steep U.S. tariffs that reduced its share of panel imports to just 11% in the first 11 months of 2017, down from nearly 60% as recently as 2011. Chinese firms producing in places such as Malaysia would get hit under the new tariffs, but Chinese workers wouldn't feel the pain directly. The washing-machine tariffs, meanwhile, will mostly hit Korean manufacturers such as **Samsung** and **LG Electronics**. Monday's action fits a pattern of focusing on high-visibility sectors that play well with Mr. Trump's base but won't hit China where it hurts.

The narrow focus of these tariffs explains the muted reaction in markets. Shares in both Shanghai and Seoul rose 1% on Tuesday. Investors waiting for the trade-war shoe to drop will need to worry more if the Trump administration starts imposing more broad-based penalties on Chinese trade and investment following, say, its investigation into Chinese intellectual-property theft.

If those broader penalties show signs of materializing later in 2018, it would pay for investors to protect themselves in a hurry. Meanwhile, given strongly rebounding global growth, it probably makes sense to keep watching and waiting.

The risks of starting a true trade war would be large for Mr. Trump. China isn't South Korea or Japan—U.S. allies whom the U.S. can safely harass, up to a point. Trump needs China's cooperation to have any hope of reining in North Korea without military action.

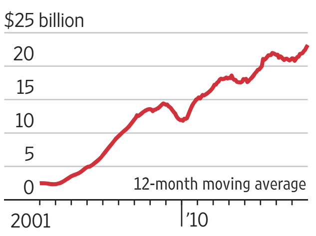
Mr. Trump also enters 2018 with the booming U.S. economy as the Republican Party's main political advantage heading into midterm elections. A trade war with China would push up the cost of U.S. consumer goods, erode real wage growth and probably hit farmers in Mr. Trump's rural base particularly hard.

If Mr. Trump does pull the trigger, everyone will suffer, most notably his own party and political base. Many in the president's circle surely understand this. Investors must hope he does too.

—Nathaniel Taplin

Red Ink

U.S. trade deficit with China



Source: General Administration of Customs