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THE WALL STREET JOURNAL.
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Global Stocks Cap Strong First Half

After a blockbuster run for equities in the U.S. and abroad, investors ask if gains will last

By Steven Russolillo

Global stock markets collectively had their best opening half-year in years, but turbulence this week could be a harbinger of greater volatility.

All but four of 30 major indexes representing the world's biggest stock markets by value have risen this year, a first-half performance unmatched since 2009, according to an analysis by The Wall Street Journal. In the past 20 years, only four first-half rallies have been as widespread or better than the current global surge. Two of them preceded sharp market crashes, and two others came at the start of long bull markets.

In the U.S., the tech-heavy Nasdaq Composite surged 14%, its best first half since 2009. The Dow Jones Industrial Average and S&P 500 each rose about 8%—the best start to a year since 2013. Stock benchmarks from South Korea to India to Spain put up double-digit percentage gains for the first six months.

Investors attribute the rally's breadth to strengthening corporate earnings, improving economies and continued support from central banks. A sentiment reading of Eurozone businesses and consumers released this week jumped to its highest level since before the financial crisis. In the U.S., earnings growth has been a crucial to the market's performance. And a resilient tech sector, led by U.S. and Chinese giants, is an increasing influence on domestic and Asian markets.

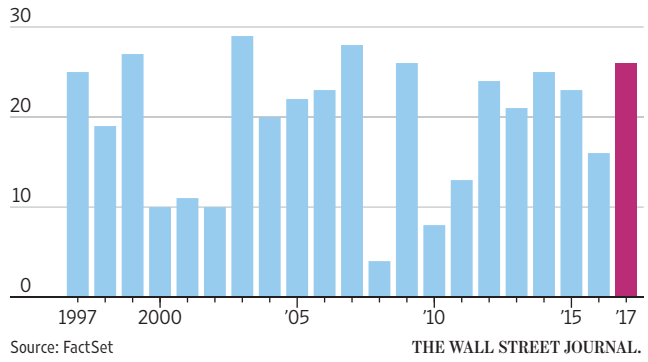
Please see STOCKS page A2

◆ S&P 500, Nasdaq indexes set high bar..... B10

Positive Territory

Twenty-six of the world's top 30 stock-market indexes have risen this year, a first-half performance unmatched since 2009.

Number of indexes that rose in the first half of each year



Source: FactSet THE WALL STREET JOURNAL.

What's News

World-Wide

Consumers are getting letters from insurers warning that ACA plans will be terminated, raising alarm as the Senate GOP struggles to craft its own law. **A1**

◆ **Conservative Republicans** revived a proposal to repeal the health law and come up with a replacement later. **A4**

◆ **Trump and South Korea's** Moon vowed to coordinate on a strategy for confronting Pyongyang after their first meeting on Friday. **A7**

◆ **A GOP activist** who led an operation seeking Clinton emails listed Trump campaign officials in a recruitment document for his effort. **A4**

◆ **Germany's parliament** legalized same-sex marriage in a snap ballot despite Chancellor Merkel's no vote. **A8**

◆ **A war of words** between Trump and MSNBC hosts Scarborough and Brzezinski escalated on Friday. **A4**

◆ **The Senate is mulling** banning the military from using Kaspersky Lab software, citing concerns about alleged ties to the Russian government. **A4**

◆ **China lodged** formal diplomatic protests over the U.S. approval of a $1.42 billion arms sale to Taiwan. **A7**

Business & Finance

◆ **Global stock markets** had their best first half in years. But the strong run was capped by turbulence this week, a possible harbinger of greater volatility. **A1, B10**

◆ **The Odebrecht family** plans to relinquish its grip over the board of Latin America's largest construction group and turn all the firm's businesses public. **A1**

◆ **A cultural divide** between the U.S. and Europe has thrust European officials into the role of global tech-sector cops. **B1**

◆ **Inflation eased** and U.S. consumer spending was tepid in May, potential complications for the Fed. **A2**

◆ **A top ECB official said** the central bank should prepare to reduce its stimulus despite falling short of its inflation target. **A8**

◆ **Dex Media said** it bought YP Holdings, the latest sign of consolidation among local-directory firms. **B1**

◆ **Goldman has begun** selling some of the Venezuelan bonds it acquired in a controversial deal. **B9**

◆ **Berkshire is moving** to exercise warrants it holds for BofA stock, making it the bank's largest shareholder. **B9**

Inside

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On Health Care, A Promise, Not a Threat

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An Oath of Allegiance to Honor Independence Day

MICHAEL NOBLE JR./ASSOCIATED PRESS

NEW CITIZEN: U.S. Army Specialist Shane Cardel of Jamaica bows his head after taking the oath of allegiance in the New York Public Library's fourth annual ceremony to coincide with July 4 celebrations.

Warnings Raise Stakes on Health

By Anna Wilde Mathews And Melanie Evans

Hundreds of thousands of consumers across the country are getting letters from insurers warning that their health plans bought under the Affordable Care Act will be terminated at year-end, raising alarm at a politically sensitive moment when Senate Republicans are struggling to craft their own health-care legislation.

As lawmakers head off for their July 4 recess, conservative Republicans on Friday revived a proposal to quickly repeal the 2010 health-care law and come up with a replacement later, a surprise move reflecting the fractured state of the Senate GOP and the frustration felt by some conservatives about the pace of the Republican health push. The initiative, quickly seized on by President Donald Trump, renewed an idea that earlier had been discarded as politically and practically unworkable, and some Republicans on Capitol Hill said the idea was unlikely to get sufficient support this time either.

The repeal-first approach reopens an old skirmish between Republican centrists and conservatives, whose disagreements over everything from the scope and timeline of an ACA repeal to the future of Medicaid and the nature of health insurance have hamstrung the party.

Now, lawmakers heading home for recess have another potential headache: the letters to consumers sent to comply with rules requiring insurers to give policyholders notice of at least 180 days, or about six months, before they pull out of a state's individual insurance market. That puts the deadline

Please see HEALTH page A4

Email Twist

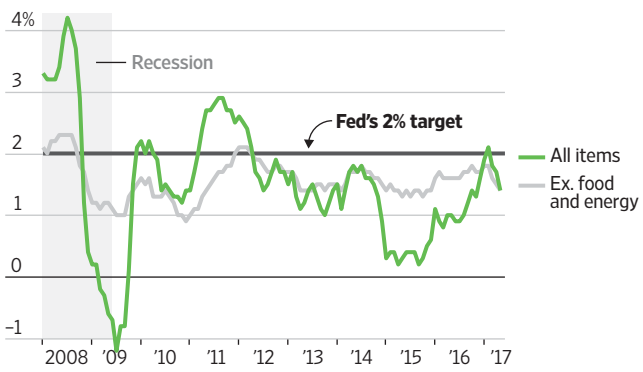
A Clinton email seeker listed Trump campaign officials in a recruitment document

MSNBC hosts: Trump officials used tabloid as threat **A4**

Tepid Inflation Poses Test for Fed

WEAK CORE: Inflation eased in May for a third month, remaining below the Fed's 2% target; consumer spending was also lackluster. **A2**

PCE price index, annual change



Source: Commerce Department THE WALL STREET JOURNAL.

SMUGGLER OR MIGRANT? A TRIAL'S CONUNDRUM

Some say man Italy has in court is a poor Eritrean trying to get to Europe

By Drew Hinshaw, Matina Stevis And Pietro Lombardi

For several years, as Europe's migration crisis grew, investigators pursued one of the world's most wanted people smugglers, a fugitive known as "the general" for the efficiency of his network.

Police from five nations tracked Medhanie Yedhego Mered as he crisscrossed the Sahara ferrying compatriots from Eritrea, his home country on the Horn of Africa, to Europe. In May of last year they finally zeroed in on him, drinking an afternoon chai in a Khartoum tea room as Sudanese police barged in to make the arrest.

A year on, a growing stack of evidence suggests that one of the biggest trafficking manhunts in Europe got the wrong guy.

The baby-faced man currently on trial in Sicily is not the 36-year-old smuggling kingpin, according to dozens of witnesses, digital records and Eritrea's government. Instead, indications are he is an Eritrean milk deliveryman named Medhanie Berhe Tesfamariam who was slowly trying to make his way to Europe when he was grabbed.

There is one other source who calls the person on trial innocent: a man who says he is Mr. Mered, the real smuggler. "I thought they were going to release him in no time—they know that he is not the right Medhanie," he said. The Wall Street Journal con-

Please see TRIAL page A10

Brazil's Odebrechts Ease Grip on Firm

By Luciana Magalhaes And Samantha Pearson

SÃO PAULO—The billionaire Odebrecht family that owns Latin America's largest construction group plans to relinquish its grip over the board and turn all of the firm's businesses public, as the company battles to emerge from one of the largest corruption scandals in history.

Odebrecht SA's new Chief Executive Luciano Nitrini Guidolin, in his first interview since taking over in May, said Friday that the company plans to get most of its units listed within three years, and all of them public soon after.

Odebrecht will likely begin by floating the agribusiness unit and its flagship construction business, Mr. Guidolin said. Meanwhile, the company aims to complete $3.6 billion of asset sales next year, he said.

For decades, Odebrecht was considered the gold standard of Brazilian business and a source of national pride. Even as Brazil was ridiculed for its shoddy infrastructure, Odebrecht was building world-class airports, highways and hydroelectric plants in the U.S., Europe and Africa, as well as across Latin America. Known in the U.S. for building the Miami Heat's arena and part of Miami International Airport, Odebrecht saw its gross revenue reach $40 billion at the end of 2015, dwarfing many American construction groups.

Please see BRAZIL page A6

Happy Birthday, Canada! Enjoy Your Giant Duck

* * *

Inflatable fowl sparks backlash for not being Canadian enough

By David George-Cosh And Paul Vieira

TORONTO—Canada wanted a loon for its birthday. Instead, it is getting a duck. A bright yellow duck that is six stories high and inflatable.

The big duck, which will help kick off the country's 150th birthday festivities on Saturday, is being subjected to polite yet persistent criticism that it's not really Canadian enough. Other suggestions: a giant maple leaf or a singing beaver.

"Nothing says 'Celebrate Canada!' like a 30,000-pound rubber duck by a foreign artist," scoffed Aaron Wudrick, federal director of the Canadian Taxpayers Federation in Ottawa, one of many Canadians ruffled by the plan, partly funded by public money.

Giant duck

The towering waterfowl, which the organizers of Toronto's Redpath Waterfront Festival are renting from a U.S. company, has spawned bewilderment on social media, become the subject of Canadian parliamentary debates and triggered a protest at the offices of top lawmakers.

Part of the issue is the price tag of roughly 71,000 Canadian dollars, or US$54,000, to rent the duck and dock it

Please see DUCK page A10

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U.S. NEWS

THE NUMBERS | By Jo Craven McGinty

Going Down the Wormhole to Help Farmers

An unusual workforce labors beneath the surface of the world's farms.

It can turn over 8,000 pounds of earth on an acre of land in two weeks. Its tunnels aerate the soil, and its castings nourish it.

Not bad for invertebrates the size of a string bean.

They are earthworms, the industrious wigglers Charles Darwin once called nature's plow. But farmers' plows have been killing the tiny tillers for decades, leaving cropland less fertile and increasing the need for chemical nutrients.

A new study confirms the impact of conventional plowing and evaluates the effects of alternative tilling methods.

"Conventionally plowed soils reduce earthworm populations drastically, and this means that we get few of the good things that earthworms do for us," said Maria J.I. Briones, an author of the study and a professor of soil zoology at Universidad de Vigo in Spain.

Earthworm populations can bounce back if conventional plowing is replaced with less disruptive methods, but there are trade-offs.

Conventional tillage, which disrupts soil to a depth of 8 to 16 inches, provides crops with optimal conditions for germination and inhibits weeds, pests and disease. Conservation methods—such as no till or strip till, which forgo plowing or limit it to shallow depths—reduce fuel and labor costs and the need for chemical fertilizers, but crop yields may shrink and the need for herbicides may increase.

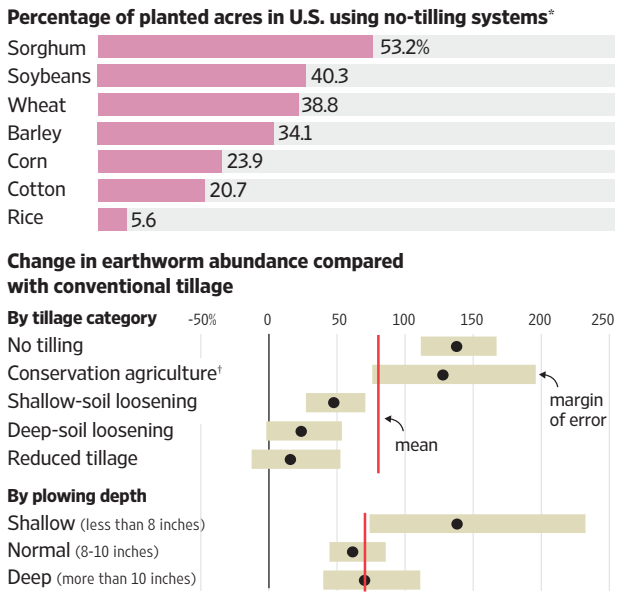
"You put less energy and less work into the system," said David Jones, a biologist and earthworm expert at the Natural History Museum in London. "It's not surprising that yield might drop, but it benefits the soil and the long-term sustainability of agriculture. You have to look at what you want to achieve in the long term."

Earthworms improve the structure and fertility of soil by working organic material into the dirt, providing channels that make it easier for water and oxygen to penetrate it and converting nutrients into forms plants can readily absorb. When the population of the worms is diminished, soil quality suffers.

To gauge the extent of the problem, Dr. Briones and Olaf Schmidt, a professor in the school of agriculture and food science at University College in Dublin, reviewed 215 field studies from 40 countries dating back to 1950.

Can You Dig It?

Earthworms improve the structure and fertility of soil, but conventional plowing reduces their number and benefits. Methods such as no-till farming allow the population to recover.



*Most recent survey used for each crop †A technique that minimizes soil disturbance and uses ground cover to protect soil from erosion

Sources: USDA Economic Research Service (plants); Maria J.I. Briones of Universidad de Vigo and Olaf Schmidt of University College Dublin (earthworms)

THE WALL STREET JOURNAL.

Their research, published in the scientific journal Global Change Biology, found declining populations in fields that were plowed every year. Disturbing the soil less increased abundance up to 137%.

Conventional plowing kills earthworms through injury or by exposing them to predators, destroying burrows and diminishing their food supply.

"The more you till, the less they have to eat," said Sharon Weyers, a soil scientist with the U.S. Department of Agriculture.

A good earthworm population might number around 200 worms per square meter (about 1.2 square yards). An excellent population would have twice as many.

"If you've got more than 400 earthworms per meter squared, you are more likely to have best improvement in crop yield," Dr. Jones said.

To count worms, researchers dig a pit around 1 cubic foot in size, then sift through the soil by hand, or they roust worms from the ground by sending electroshocks through the soil or by soaking it with a solution of hot mustard. Irritated earthworms surface.

It can take a decade or more for diminished populations to rebound, Drs. Briones and Schmidt found, with populations increasing the most when the soil is disturbed the least.

No-till farming, which is used on about 34% of cropland in the U.S., according to USDA economist Steven Wallander, is least disruptive.

Although no-till farming is theoretically possible on most cropland, the cost of changing to specialized seeding equipment may be prohibitive for small farms.

John Ledermann, a third-generation Minnesota farmer who raises corn, soybeans, wheat and cereal rye, has transitioned his 1,100 acres to no-till and strip tilling.

His yields have been mixed, he said, but he's using about half the fuel and sees soil improvements.

He recalled walking across a field at dusk one spring when he noticed movement.

"The earthworms had come up," he said. "As I walked along, they were flicking back in their burrows. You wouldn't believe how fast they could move."

Gunman Hits a New York City Hospital

EDUARDO MUNOZ ALVAREZ/AGENCE FRANCE-PRESSE/GETTY IMAGES

SECURING THE SCENE: A policeman directed people next to Bronx-Lebanon Hospital Center in New York, where a former employee shot seven people, killing a doctor, before turning the gun on himself on Friday. The shooter was wearing a white medical coat and was listed on the hospital website as a doctor of family medicine, but it wasn't immediately clear from public records whether he was a doctor.

Weak Inflation Poses Fresh Test for the Fed

By Jeffrey Sparshott

WASHINGTON—Inflation eased for the third consecutive month and consumer spending was tepid in May, potential complications for the Federal Reserve as it charts a course for interest rates.

The Fed's preferred measure of inflation, the price index for personal-consumption expenditures, rose 1.4% in May from a year earlier, the lowest level in six months, the Commerce Department said Friday. Excluding the often-volatile categories of food and energy, so-called core prices were also up 1.4%, the lowest level since December 2015.

The Fed, tasked with promoting full employment and stable prices, targets a 2% annual inflation rate. The price index poked above that threshold in February for the first time in nearly five years but has settled lower each month since.

"Although the real economy is doing well, Fed officials are concerned that isn't translating into stronger inflationary pressures," Paul Ashworth, chief U.S. economist at Capital Economics, said in a note to clients.

Despite soft readings, the Fed's policy-making committee earlier this month decided to raise its benchmark interest rate by a quarter percentage point and penciled in one more increase for later this year.

Fed Chairwoman Janet Yellen said the weak inflation numbers largely reflect temporary factors, such as falling prices on cellphone plans, and smaller-than-normal rises for drug prices.

"With employment near its maximum sustainable level and the labor market continuing to strengthen, the committee still expects inflation to move up and stabilize around 2% over the next couple of years," Ms. Yellen said.

Outside of inflation, the economy appears to be advancing at a steady if unspectacular pace.

Personal-consumption expenditures, a measure of household spending on everything from new cars to medical care, increased a seasonally adjusted 0.1% in May from the prior month, the Commerce report said. The measure had risen 0.4% the prior two months.

5.5%

U.S. personal-saving rate in May, the highest level in eight months.

Instead of splashing out, Americans saved more, boosting the personal-saving rate to 5.5%, its highest level in eight months.

"Americans are in good shape to increase consumption—the question is when?" Eugenio Alemán, senior economist at Wells Fargo, said in a note to clients.

STOCKS

Continued from Page One

Despite challenges to President Donald Trump's agenda, and political jolts in countries from Brazil to the U.K., stock markets have been unusually steady. Measures of volatility in the year's first half were at or near multiyear lows in the U.S., Europe and Asia.

Investors are now asking whether the strong first half heralds a choppier second half, or continued strength.

Data on global rallies offer a mixed record: A surge in the first half of 1999 preceded the tech bubble's burst. The rally to start 2007 came before the global financial crisis. But broad, world-wide gains in 2003 and 2009, similar to this year's, were early stages of yearslong market rallies.

High stock valuations and tranquil trading this year have led to concerns about complacency. The S&P 500 trades at about 18 times projected earnings over the next 12 months, around its highest level in 13 years. Still, this forward multiple was above 26 times at the dot-com bubble's peak in 2000, according to FactSet.

Valuations are more modest elsewhere. Germany's DAX trades at less than half its 2000 peak. The Nikkei 225 fetches 17 times forward earnings, around its five-year average.

This week, investors tasted greater uncertainty that could lie ahead, when top European Central Bank officials offered mixed messages on the future of its bond-buying program. Heads of central banks in the U.K. and Canada also indicated they were pondering when to raise interest rates.

Stocks and currencies gyrated on the notion of less central-bank accommodation. "Central banks have created huge distortions in the markets, which are going to be difficult to unwind," said Colin Graham, chief investment officer of multiasset solutions at BNP Paribas Asset Management. "But we think they are going to talk hawkish and walk dovish," he said, implying that central banks won't do anything too drastic.

The tech-heavy Nasdaq Composite surged 14%, its best first half since 2009.

In the ninth year of a bull market in the U.S., the Dow, S&P 500 and Nasdaq Composite have set numerous records. Globally, nearly half of the top 30 stock indexes are at or near all-time highs. "We're really seeing a synchronized global recovery take shape this year," said Graeme Bencke, global portfolio manager at Pinebridge Investments in London. "Everything is looking better."

The tech sector's rising clout has been key. The five largest U.S. companies are tech- and consumer-related companies, led by Apple Inc. They propelled the Nasdaq this year. China's tech behemoths fared even better.

In January, investors hoped Donald Trump's election victory would trigger lower taxes, less regulation and more infrastructure spending. France's presidential election loomed over Europe's prospects. So far, though, Mr. Trump hasn't enacted major changes to fiscal policy or taken significant protectionist measures. And pro-Europe Emmanuel Macron romped to victory in France, allaying fears about anti-European Union sentiment.

Through it all, the market's focus has remained on central bankers, the pattern since the financial crisis. While the U.S. has raised short-term interest rates four times since the end of 2015, the ECB and Bank of Japan have mostly remained accommodative, helping juice asset prices.

Investors point to a pickup in earnings growth as the vital driver of global gains this year. In the U.S., first-quarter earnings from S&P 500 companies increased 14%, the best growth since 2011. First-quarter earnings in Asia-Pacific, excluding Japan, and in Europe, also grew at a double-digit rate.

"We've never been in a period like this," Mr. Bencke of PineBridge Investments said. "It's like central banks are slowly pulling the rug from under your feet. My hope is they'll move slowly, and the world will err on the side of caution."

—Demi Guo contributed to this article.

ROSLAN RAHMAN/AFP/GETTY IMAGES

Employees at the Apple store in Singapore in May. Tech has been key to the market's success.

CORRECTIONS & AMPLIFICATIONS

Mutual funds have sold about $100 million in Illinois general obligation bonds since the end of 2016, according to research firm Morningstar Inc. A Business & Finance article Friday about the state's debt incorrectly said funds had sold more than $2 billion of bonds, based on incorrect data received from Morningstar.

During the 2016-2017 regular season, there were about 652,000 tweets a day related to the National Basketball Association. A Sports article on Friday about the NBA incorrectly said the data were for the 2016 regular season.

Prosecutors are seeking to remove pro-democracy activist Nathan Law from Hong Kong's legislative council for failing to properly execute his swearing-in oath. A World News article on Thursday about the detention of Hong Kong activists by police incorrectly said prosecutors were seeking to remove Joshua Wong, who isn't a member of the council.

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

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President Reinstates Space Council

By Andy Pasztor

President Donald Trump signed an executive order Friday reinstating the National Space Council—a panel to be led by Vice President Mike Pence—as part of an effort to establish closer coordination among civilian, military and budding commercial activities.

Mr. Trump said the move "sends a clear signal to the world that we are restoring America's proud legacy of leadership in space."

Friday's announcement, long anticipated by lawmakers and industry officials, was decided before the GOP president was sworn in, according to people familiar with the details. The goals include speeding up big-ticket government space programs while leveraging commercial projects to streamline federal efforts and reduce taxpayer costs.

The administration has yet to pick nominees for other important positions involving space, including the head of the National Aeronautics and Space Administration.

The priorities detailed in Mr. Trump's executive order include developing long-range goals and strategies for space and fostering "close coordination, cooperation and technology and information exchange" between various space sectors.

Mark Albrecht, the council's last executive secretary before the panel effectively ceased operations in 1993, helped establish the framework for the new group.

Mr. Albrecht said Friday that the order "provides all the necessary authorities" to address every component of space—from civil to commercial to national-security operations—"separately and as an integrated whole."

One of the council's primary missions is expected to be dealing with the bureaucratic logjam that has resulted in what many lawmakers and even Pentagon brass acknowledge are overly expensive launches of national-security satellites.

Trump Sends Chicago Help On Violence

By Shibani Mahtani

CHICAGO—The Chicago Police Department said Friday it is teaming up with federal agencies to crack down on illegal weapons and step up the prosecution of repeat gun offenders, a move aimed at bringing down the city's violent-crime rate.

The effort was quickly claimed by President Donald Trump's administration as evidence that Mr. Trump has made good on his promise to bring down gun violence in the city through federal assistance.

"Crime and killings in Chicago have reached such epidemic proportions that I am sending in Federal help," Mr. Trump, a Republican, wrote on Twitter Friday morning.

Several hours later, the Chicago Police Department officially made public the partnership with the federal government, including the Bureau of Alcohol, Tobacco, Firearms and Explosives and federal prosecutors.

The initiative, known as the Chicago Crime Gun Strike Force, is to be led by a specialized team of Chicago police officers, federal agents, state troopers and others who together will focus on the problem of illegal guns on the city's streets.

"This is more than just a new strategy or tactic," said Anthony Riccio, chief of the Police Department's organized crime bureau. "We are fundamentally changing the way we fight crime in Chicago."

The ATF plans to send 20 additional agents to Chicago for the new initiative, which will also lean heavily on federal technology and resources like a mobile ballistics testing van that can analyze shell casings at a crime scene.

ZBIGNIEW BZDAK/CHICAGO TRIBUNE/ASSOCIATED PRESS

Illinois House Speaker Michael Madigan and the governor have been at a standoff over the budget.

Illinois Budget Talks At 'Make-or-Break'

By Quint Forgey

Illinois officials took promising steps toward resolving a two-year standoff over a budget, but alerted rating firms that they will likely miss a deadline of midnight Friday that could trigger a downgrade to junk status.

The state's House of Representatives voted Friday in support of a Democratic spending plan introduced by Rep. Greg Harris, one that is largely viewed as a compromise. But how to fund it is still being hashed out in the Legislature.

Mr. Harris is an ally of Democratic House Speaker Michael Madigan, whose stalemate with Republican Gov. Bruce Rauner over spending has left the state without a budget for two years, causing widespread economic stress at schools, hospitals and other entities.

"Today is the make-or-break day," Mr. Harris said. "No one wants to hear any excuses....Today people want to see action."

The Democrats' $36.5 billion plan includes a 5% cut to government agencies.

Lawmakers are still negotiating an accompanying revenue measure to balance the budget. Republicans and Democrats generally favor a $5 billion tax, increasing the state's personal income-tax rate from 3.75% to 4.95% and the corporate income-tax rate from 5.25% to 7%.

Lawmakers remain deadlocked over passing a property-tax freeze, which Mr. Rauner has been pushing.

Rep. David Harris was one of several GOP members who rallied his colleagues in support of the Democratic spending plan. "I don't like everything that's in this plan," he said. "[But] now is the time to bring this nightmare to an end."

Following the vote, Mr. Madigan confirmed the House would convene again Saturday, the first day of the new fiscal year. He also said he was writing to rating firms urging them to postpone judgment on the state's bond rating until lawmakers and the governor broker a balanced budget.

Illinois has a $14.6 billion backlog of unpaid bills, and S&P Global Inc. has threatened to downgrade the state's bond rating to junk status if lawmakers don't reach a deal by July 1.

A spokesman for Moody's Investors Service confirmed the ratings firm had received Mr. Madigan's letter but said it had no comment. A spokeswoman for S&P said the firm doesn't comment on specific interactions with the governments it rates.

Earlier Friday morning, the governor reiterated his threat from Wednesday to extend the legislative session until the Legislature produces a budget he can sign.

"This is it. If lawmakers can't get a plan to my desk today, I'll have no choice but to keep them here in Springfield until the job is done," Mr. Rauner tweeted.

Mr. Rauner's administration referred questions to House Minority Leader Jim Durkin. Mr. Durkin recruited Republicans to vote for the spending plan and said on the House floor that an end to the deadlock is in sight. "I'm telling you we are close," he said.

Also on Friday, the state Senate's GOP caucus announced Sen. Bill Brady of Bloomington as its new leader. Mr. Brady, who was previously the assistant Republican leader and has launched three unsuccessful bids for governor, succeeds Rep. Christine Radogno, who announced her resignation Thursday.

In a Facebook video posted Wednesday, Illinois Comptroller Susana Mendoza, a Democrat, warned of the dire consequences if a budget solution isn't reached by Friday.

"Derailment is imminent," Ms. Mendoza said. "There will be no money, not a penny available, for hardship cases such as social service agencies, domestic violence shelters, mental health facilities and senior and hospice care facilities."

Ms. Mendoza added that once "unthinkable" effects like delayed pension payments and missed payroll for employees are now a possibility. Schools across the state, too, might not be able to open on time, she said.

"This is not a false alarm," she said.

—Shibani Mahtani and Heather Gillers contributed to this article.

Deals Prove Elusive In Series of States

Lawmakers in two New England states on Friday edged closer to blowing through midnight deadlines without new budgets in place, setting the table for painful spending cuts in Connecticut and Maine's first government shutdown in 26 years without a last-minute save.

Those states are among 46 that start a new fiscal year on Saturday, and nearly a dozen where budget negotiations have come down to the wire. While some states routinely wait until the 11th hour or later and have measures in place to fund government until accords are reached, the consequences are much more stark in many other states.

"Fiscal difficulties and political difficulties go hand-in-hand," said John Hicks, executive director at the National Association of State Budget Officers. "It creates more hard choices."

In Maine, the state teetered on the brink of shutting down parts of its government starting this weekend amid failing efforts to pass a compromise bill and meet the demands of Republican Gov. Paul LePage. Lawmakers have been grappling over taxes and education funding.

"I think this is a bad budget for Maine," the governor said at a news conference Friday.

In Connecticut, Gov. Dannel Malloy, a Democrat, signed an order Friday to keep the state government running after the Legislature failed to approve a budget plan to close a two-year deficit of $5.1 billion.

The New England states were among a handful that have pushed budget talks up to the very end of the fiscal year.

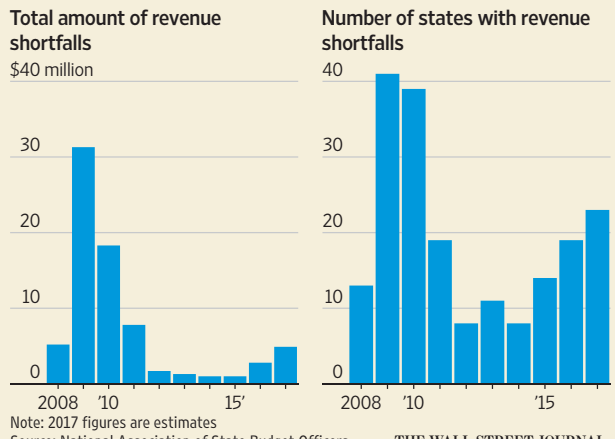
In New Jersey, Republican Gov. Chris Christie has told his cabinet to prepare for a possible shutdown. If that happens, only essential state employees would report to work, the governor said.

Lawmakers in Washington state, meantime, passed their two-year, $43.7 billion budget on Friday, heading off a partial shutdown. Lawmakers there have been battling over how to meet education-funding levels mandated by the state Supreme Court.

—Jon Kamp

Overly Optimistic

An increasing number of states are getting squeezed by weaker-than-expected revenue, and many have cut previously approved budgets.



Note: 2017 figures are estimates
Source: National Association of State Budget Officers
THE WALL STREET JOURNAL.

In Lone Star State, the Gold Rush Is On

As Texas builds its own depository, it wants a university and other investors to bring in their caches

By Covey E. Son

The University of Texas owns roughly $861 million in gold bullions locked in a bank vault in Manhattan. Now, Texas wants to bring that gold home.

The state is moving ahead with plans to create its own depository—the first state-regulated gold vault in the nation—in the hopes of persuading the university and other investors to keep their gold in the Lone Star State.

The depository has cleared years of political hurdles, and now must overcome a regulatory challenge to bring UT's gold to Texas.

The University of Texas said it would consider moving its gold under certain conditions, though negotiations with the state haven't started yet.

That hasn't stopped Texas from pressing forward. In June, Texas Comptroller Glenn Hegar announced the state tapped Lone Star Tangible Assets, which stores and trades precious metals, to build and operate a bullion depository in Austin.

Mr. Hegar said the depository would serve as an alternative stash for gold and other precious metals in place of federally regulated banks or smaller, unregulated storage facilities.

Gov. Greg Abbott, who signed a 2015 bill to create the depository, and others have called for the "repatriation" of Texas gold.

Mr. Hegar said the state has bigger plans beyond claiming UT's gold.

SHANNON STAPLETON/REUTERS

Construction on the Texas Bullion Depository is scheduled to start in September, and is slated to open in December 2018.

State officials say they also envision expanding the depository into a commodities exchange for natural resources such as oil and natural gas, potentially challenging the existing commodities marketplaces in Chicago and New York City.

"Once the depository is up and running and people see how easy it is to make transactions there, I think it's just a natural progression of things that we'll be working with other commodities as well," said Republican state Rep. Giovanni Capriglione, who wrote the 2015 bill.

Construction on the Texas Bullion Depository is scheduled to start in September, a Lone Star spokesman said.

Texas state Rep. Giovanni Capriglione first proposed a depository run entirely by the state in 2013.

The depository is slated to open in December 2018.

The security at the facility—which dubs itself "The Fort Knox of Texas"—will be up to par with "military installation," Lone Star Chairman Matthew Ferris said.

Mr. Capriglione first proposed a depository run entirely by the state in 2013.

That bill came with a hefty price tag for the state—$27.6 million over five years—and didn't pass. Mr. Capriglione tried again in 2015, this time proposing a public-private partnership in which a private entity would own and operate the facility under oversight from the state.

Under the 2015 law, the Texas Bullion Depository would function as a state agency contracted with Lone Star to build and run the vault facility.

Lone Star would get 90% of the revenue from fees, and the state would receive 10%, which would be used to offset administrative costs, a state spokeswoman said.

Motivated by the 2008 financial crisis, Mr. Capriglione said he is calling for Texas' "independence and sovereignty" from Wall Street banks and the Federal Reserve, but isn't advocating a complete break.

"I don't think that we should blow away with the existing system, but there's nothing wrong with having a Plan B," Mr. Capriglione said. "That's what our depository does."

For years, Texas Republicans have championed a currency system backed by gold and other precious metals. In its 2016 platform, the Republican Party of Texas called for a return to "precious metal standard for the United States dollar" and abolishing the Federal Reserve.

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Clinton Email Seeker Cited Trump Aides

Smith listed Bannon, Conway and Clovis on a recruiting document; purpose is unclear

WASHINGTON—A longtime Republican activist who led an operation hoping to obtain Hillary Clinton emails from hackers listed senior members of the Trump campaign, including some who now serve as top aides in the White House, in a recruitment document for his effort.

*By **Shane Harris, Michael C. Bender** and **Peter Nicholas***

KEVIN DIETSCH/GETTY IMAGES

White House officials Kellyanne Conway and Steve Bannon walking near the White House in April.

The activist, Peter W. Smith, named the officials in a section of the document marked "Trump Campaign." The document was dated Sept. 7, 2016. That was around the time Mr. Smith said he started his search for 33,000 emails Mrs. Clinton deleted from the private server she used for official business while secretary of state. She said the deleted emails concerned personal matters. She turned over tens of thousands of other emails to the State Department.

As reported Thursday by The Wall Street Journal, Mr. Smith and people he recruited to his effort theorized the deleted emails might have been stolen by hackers and might contain matters that were politically damaging. He and his associates said they were in touch with several groups of hackers, including two from Russia, in a bid to find any stolen emails and potentially hurt Mrs. Clinton's prospects.

Mr. Smith's purpose in listing the officials isn't clear. There's no indication in the document that he sought or received any coordination from the campaign officials or the campaign in general.

Mr. Smith died in mid-May at age 81, about 10 days after he spoke to the Journal. He said he operated independently of the Trump campaign.

Officials identified in the document include Steve Bannon, now chief strategist for President Donald Trump; Kellyanne Conway, former campaign manager and now White House counselor; Sam Clovis, a policy adviser to the Trump campaign and now a senior adviser at the Agriculture Department; and retired Lt. Gen. Mike Flynn, who was a campaign adviser and briefly was national security adviser in the Trump administration.

Mr. Bannon said he never met with Mr. Smith or anyone affiliated with a limited-liability company, **KLS Research** LLC, that the document said had been established for its mission. "Never heard of KLS Research or Peter Smith," Mr. Bannon said.

Ms. Conway said she knew Mr. Smith from Republican politics but hadn't spoken to him in years. "I never met with him" during the campaign, Ms. Conway said. "There were no calls, no meetings, no nothing."

The White House didn't immediately respond to a request for comment. Neither did the Agriculture Department, Mr. Clovis's employer.

Mr. Flynn, his consulting firm Flynn **Intel Group** and his son Michael G. Flynn, who was chief of staff at Flynn Intel, were cited more extensively as Mr. Smith sought to recruit researchers, as well as in documents related to the effort that have been described to the Journal. Neither Mr. Flynn nor his son responded to requests for comment.

The document section that lists campaign officials is followed by the words, "in coordination to the extent permitted as an independent expenditure."

It was in a package of opposition research Mr. Smith shared through an encrypted email with Matt Tait, a cybersecurity expert. Mr. Tait said he was approached last summer by Mr. Smith, who wanted him to help. Mr. Smith gave him a document called the "KLS research packet," Mr. Tait said. The packet cover sheet is the document that listed the Trump campaign officials.

Mr. Smith asked Mr. Tait to sign a nondisclosure agreement. Mr. Tait said he declined and ceased communications with Mr. Smith.

The document presented to Mr. Tait is titled, "A Demonstrative Pedagogical Summary to be Developed and Released Prior to November 8, 2016," which was Election Day.

HEALTH

Continued from Page One

in early July for a plan that runs until the end of December.

In many cases, planned withdrawals from certain ACA marketplaces by major insurers, including Aetna Inc., Humana Inc. and Anthem Inc., have been disclosed. But the letters may be the first affirmation for many consumers that their plans will end.

Some insurers are also sending the letters even if they haven't made a final decision to withdraw, just to keep their options open, said Nate Purpura, a vice president at eHealth Inc., an online insurance vendor. "If they ultimately need to leave, they have to send these," he said.

The withdrawal notices are already causing heartburn, according to insurance agents and other industry officials. In Mississippi, one of the states where Humana will stop selling plans, consumers have recently been calling the state's insurance regulator in alarm after getting letters, said Mike Chaney, the insurance commissioner. "They're worried about what they will do for health insurance," he said.

In Knoxville, Tenn., Reba Horn, 63 years old, opened a letter from Humana last week to discover her insurance wouldn't be sold next year. She was shocked. "I had no idea" Humana would leave the market, she said. Humana is the only current exchange insurer in the Knoxville area, but BlueCross BlueShield of Tennessee has said it would offer plans there next year.

Ms. Horn, an assistant for attorneys, called and peppered her insurance broker with questions. "Where am I going to look? Is it going to cost me more? Am I going to have the same coverage?" Her broker, Debra Foster, said she would likely not have answers until open enrollment in November.

Senate leaders delayed a vote this past week on legislation unveiled the previous week, after a report from the nonpartisan Congressional Budget Office found that GOP bill would result in 22 million more people uninsured in a decade, compared with current law.

Republicans have said insurer exits from some markets and rate-increase proposals show the need for their legislation. Democrats say the insurers are reacting to uncertainty created by Republicans—including questions about the future of federal payments that help with health costs for low-income enrollees, which the Trump administration has threatened to stop.

The CBO report on the GOP Senate bill said its effect on consumers would vary. Some, particularly younger ones, could see lower premiums than they would under the ACA, partly because plans might be skinnier and cover fewer benefits. But for lower-income consumers or those with special needs, overall medical costs could be significantly higher.

In announcing withdrawals, several insurers have highlighted questions about the cost-sharing payments and enforcement of the ACA's individual coverage mandate. Some have also pointed to business challenges in their marketplace plans.

In the fall of 2013, the Obama administration faced a backlash when consumers got notices informing them that their policies would be canceled at the end of the year because they didn't meet new ACA requirements. Under pressure, the administration that November said it would let people keep their old plans for at least another year.

Letters from insurers going out now feature strongly worded versions of the following language: "Urgent: Your health coverage is at risk."

The letters are going to some consumers who get their coverage in the individual insurance market, which includes online exchanges created under the ACA.

SAUL LOEB/AGENCE FRANCE-PRESSE/GETTY IMAGES

GOP Sen. Ben Sasse is pushing the repeal-first strategy.

According to the Kaiser Family Foundation, about 22 million Americans, or 7% of the population, have individual plans. The figures are for 2015, the most recent year available.

Consumers' plans wouldn't end until Dec. 31. Typically, their next step would be to shop for coverage from a different insurer during fall's open-enrollment period. But Republican health legislation could change the rules.

"People absolutely feel scared and concerned about their personal health situation and what this nonrenewal could mean," said Michael Z. Stahl, a senior vice president at insurance agency HealthMarkets Inc.

—Louise Radnofsky contributed to this article.

Conservatives Seek Speedy ACA Repeal

WASHINGTON—Conservative Republicans on Friday revived a proposal to speedily repeal the Affordable Care Act and come up with a replacement later.

The move, backed by President Donald Trump in a tweet, renewed an idea that earlier had been seen as unworkable, and Republicans on Capitol Hill said the idea was unlikely to get enough support this time as well. But it had the potential to excite the Republican base as Congress heads into its July 4 recess.

Sen. Ben Sasse (R., Neb.) kicked off the push, saying that he believed congressional leaders' prospects of simultaneously overturning former President Barack Obama's 2010 Affordable Care Act and enacting a replacement were dimming. He said that the party's best hope could be to wipe out the law in its entirety, then work on filling the void over time.

"On the current path, it looks like Republicans will...fail to pass any meaningful bill at all," Mr. Sasse said in a letter to the White House. "We must keep our word."

He suggested that if Senate Majority Leader Mitch McConnell (R., Ky.) couldn't assemble a bill with broad GOP support by the time senators return from their recess on July 10, the Senate should vote on the same ACA repeal bill Congress passed in 2015, which was vetoed by Mr. Obama.

Within minutes of the suggestion, which Mr. Sasse also discussed on "Fox & Friends," Mr. Trump signaled support. "If Republican Senators are unable to pass what they are working on now, they should immediately REPEAL, and then REPLACE at a later date!" he tweeted.

Democratic lawmakers, who are united in support of the ACA, warned of the consequences of a repeal-first approach on Friday. Sen. Patty Murray (D., Wash.) said that Mr. Trump shouldn't urge Republicans "to pull coverage and protections away from tens of millions of families and increase costs for tens of millions more without any plan for a replacement."

Mr. Sasse's move and Mr. Trump's response were notable in part because they pointedly circumvented Mr. McConnell, who has been laboring to produce a bill that would satisfy his party's conservative and centrist factions and win the support of at least 50 Senate Republicans.

Mr. McConnell's office had no comment on the proposal on Friday.

The repeal-first approach reopens an old skirmish between Republican centrists and conservatives, whose disagreements over everything from the scope and timeline of an ACA repeal to the future of Medicaid and the nature of health insurance have hamstrung the party.

Earlier this year, some Republicans advocated repealing the ACA with an expiration date a year or two in the future. That, they hoped, would pressure Democrats and Republicans to come together and craft a workable replacement that would kick in before the ACA expired.

But others inside and outside the GOP warned that repealing the ACA without a replacement in hand would create enormous uncertainty, roiling the insurance markets, panicking consumers and making life difficult for businesses. That prompted GOP leaders instead to pursue a single repeal-and-replace bill, and at the time Mr. Trump voiced support for that approach.

Some lawmakers said Friday that going back to the repeal-first approach would be a mistake. "That doesn't achieve what President Trump set out to do, which is to not only repeal the damaging effects of that law, [but] help people who are trapped in it right now," said Rep. Kevin Brady (R., Texas), chairman of the House Ways and Means panel, which oversees health care.

"Sen. Collins would not support this strategy," Annie Clark, spokeswoman for Susan Collins (R., Maine), said on Friday.

But Rand Paul of Kentucky, another senator whose support could make or break the legislation's prospects, endorsed Mr. Sasse's suggestion.

—Louise Radnofksy

TV Hosts: Tabloid Used as Threat

By Jeffrey A. Trachtenberg And Sarah Rabil

A war of words between President Donald Trump and MSNBC's Joe Scarborough and Mika Brzezinski escalated Friday, with the television cohosts saying administration officials offered to help quash a National Enquirer article if they eased up on their coverage of the president.

Mr. Trump took to Twitter to deny that assertion.

In an op-ed in the Washington Post on Friday, Mr. Scarborough and Ms. Brzezinski wrote that they had ignored threats from the administration about their coverage of Mr. Trump.

"This year, top White House staff members warned that the National Enquirer was planning to publish a negative article about us unless we begged the president to have the story spiked. We ignored their desperate pleas," they wrote in the Post.

During their "Morning Joe" show on Friday, Mr. Scarborough elaborated on that claim, saying he had received a phone call informing him that the National Enquirer intended to run a negative story about him and Ms. Brzezinski. The callers, whom he described as "at the very top of the administration" but didn't identify by name, said that if he called Mr. Trump and apologized for their earlier presidential coverage, Mr. Trump "will pick up the phone and basically spike this story."

OLIVIER DOULIERY/ZUMA PRESS

President Donald Trump at the White House on Friday.

Mr. Trump rejected that version of events, saying instead that Mr. Scarborough called Mr. Trump to stop the article's publication. "He called me to stop a National Enquirer article. I said no!" Mr. Trump tweeted.

Mr. Scarborough was quick to respond, tweeting: "I have texts from your top aides and phone records. Also, those records show I haven't spoken with you in many months."

The White House didn't respond to a request for comment.

Mr. Trump is longtime friends with David Pecker, chief executive of American Media Inc., which owns the National Enquirer. Mr. Pecker wasn't available for comment.

The Enquirer supported Mr. Trump during the campaign, endorsing him and publishing columns by Mr. Trump as the primary race got under way. The Wall Street Journal also reported last year that American Media had agreed to pay a former Playboy model $150,000 for her story of an alleged affair with Mr. Trump, but then didn't publish it.

In a statement, Dylan Howard, chief content officer and vice president of American Media, said the publication had no knowledge of the situation involving Mr. Trump.

"At the beginning of June we accurately reported a story that recounted the relationship between Joe Scarborough and Mika Brzezinski, the truth of which is not in dispute," said Mr. Howard. "We have no knowledge of any discussions between the White House and Joe and Mika about our story, and absolutely no involvement in those discussions."

Ms. Brzezinski and Mr. Scarborough, who were both previously married, announced in May that they are engaged.

Senate Considers Ban Of Kaspersky Software

By Byron Tau

WASHINGTON—The Senate is considering banning the military from using commercial software developed by a prominent cybersecurity firm, citing concerns about the Moscow-based company's alleged ties to the Russian government.

A military funding bill released this week contains a provision that would prohibit the Department of Defense from using Kaspersky Lab software "due to reports that the company might be vulnerable to Russian government influence," according to a summary of the legislation prepared by the Senate Armed Services Committee.

Kaspersky Lab, a global cybersecurity firm founded by Russian businessman and computer expert Eugene Kaspersky, has long denied it has ties to any government, and Mr. Kaspersky has offered to testify in front of the Senate about the integrity of his company's work. No Senate panel has taken Mr. Kaspersky up on his offer to appear. The company is best known for making commercially available antivirus software used by millions world-wide, including in some U.S. government agencies.

The proposal comes amid growing fears of hacking after a global cyberattack wreaked havoc across Europe and the U.S. last week.

U.S. intelligence and law-enforcement officials have raised public concerns about Kaspersky's links to the Kremlin, though none have publicly laid out specific concerns about the company or its products.

In a statement, Kaspersky confirmed that Federal Bureau of Investigation agents interviewed employees this week. It didn't reveal the subject of those discussions, which remain unclear. The bureau is scrutinizing possible Russian meddling in the 2016 presidential election. Former national security adviser Mike Flynn was a paid consultant to a U.S. subsidiary of the company before he served in the Trump administration.

"Kaspersky Lab, and its founder and CEO Eugene Kaspersky, do not have ties to any government, and the company has never helped, nor will help, any government in the world with any cyberespionage efforts," the company said in a statement.

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OBITUARIES

ROBERT CAMPEAU
1923 — 2017

Tycoon Won Early Success With Real Estate, Retail

By James R. Hagerty

In Robert Campeau's first act as a tycoon, the onetime factory worker transformed himself into a successful builder of homes in the Ottawa suburbs, then erected hotels and office towers.

His second act, as the owner of Bloomingdale's and a host of other American store chains, yielded international celebrity, followed swiftly by failure. His attempts at a third act never quite got off the ground.

He suffered the curse of entrepreneurs who find spectacular early success: a conviction that they can do as well in any other field. He also was caught up in the 1980s binge of takeovers fueled by Wall Street's passion for junk bonds and quest for fees.

"Entrepreneurship demands taking risks for gains, and I have done that all my life," he said in 1988, less than two years before his retailing empire collapsed. "I like to take risks."

Mr. Campeau died June 12 at his home in Ottawa. He was 93.

In the late 1980s, he was briefly America's largest department-store retailer after buying Federated Department Stores Inc. in what Fortune magazine later called the "looniest deal ever."

Robert Joseph Antoine Campeau was born Aug. 3, 1923, near the northern Ontario town of Sudbury. The son of an auto mechanic, he dropped out of school at age 14. His early jobs included sweeping floors in a factory, driving trucks, running a corner store and working as a construction laborer.

He began building one modest house at a time and soon established himself as a major home builder in the suburbs of Ottawa in the 1950s.

Mr. Campeau kept thinking on a grander scale. In 1980, his Campeau Corp. announced a takeover bid for the far-larger Royal Trustco Ltd., a financial-services company, whose chairman, Kenneth White, promptly declared: "I will not work for Robert Campeau." Mr. White managed to thwart the bid, and Mr. Campeau sank into one of his periodic spells of despair.

He talked of acquiring an oil company or U.S. financial-services concern before settling on U.S. department stores. In 1986, he overcame initial opposition from Allied Stores Corp. by snapping up large blocks of its stock on the open market. He acquired Allied, the owner of such store chains as Brooks Brothers and Ann Taylor, for about $3.7 billion.

Two years later, he acquired Federated for $6.6 billion, up from an initial bid of $4.2 billion. The deal drenched Mr. Campeau's retailing empire in debt, requiring him to sell assets quickly.

As junk-bond investors grew skittish, cash flow from the stores proved insufficient to meet interest on the debt. After closing stores and laying off workers, Federated and Allied filed for bankruptcy-court protection in 1990.

After losing his company, Mr. Campeau spent years in legal battles with his estranged second wife, Ilse, over their former homes, artworks and other assets. Those included a home resembling a French castle, with 17 bathrooms, in Toronto's Bridle Path neighborhood and a turreted palace in Austria, with only seven bathrooms.

Mr. Campeau resurfaced in the mid-1990s with plans to build thousands of homes in Teltow, a German town near Berlin. "Most people don't go through what he did and come back swinging," his son Daniel said at the time. "But if he didn't do this he would be dead. There's nothing in between for a guy like this. All he does is shoot big."

He boarded a bulldozer to signal the planned start of construction and told reporters: "We are going to build the best project ever built in Europe and in North America."

Within a couple of years, he abandoned the project. Local politicians say that Mr. Campeau got into disputes with his lenders and underestimated German bureaucratic hurdles. On a less ambitious scale, other developers now are building homes on the site. Mr. Campeau's legacy survives in the form of a few streets with names evoking his homeland, including Kanada-Allee.

He moved back to Ottawa. When the Globe and Mail interviewed him in 2005, he was living modestly in a rented townhouse.

A family death notice said he was survived by his third wife, Christel. The notice also listed six children, eight grandchildren and seven great-grandchildren.

—Ulrike Dauer contributed to this article.

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FRANK CAHOUET
1932 — 2017

He Made Tough Calls To Revive Mellon Bank

When bankers got carried away with expense accounts and risky lending, Frank Cahouet's job was to clean up the mess.

His toughest challenge came in 1987, when Mellon Bank Corp. recruited him as the first outsider to serve as chairman and chief executive. Pittsburgh-based Mellon, established in 1869, was suffering heavy losses on loans related to energy, real estate and Latin America. "I was truly scared," he said later. "Had the company been drifting too long and could you move it out of this lethargy?"

He startled new colleagues by announcing that an initial recovery plan was due within a week. Eventually, the cure included shuffling bad loans into a separate company and buying managers of mutual funds.

Mr. Cahouet (pronounced COW-et) eliminated 3,700 jobs within a year. He held 7:30 a.m. staff meetings and clamped down on travel and office-supply costs.

His style, he said, was "to drive for conclusions, to be intolerant of people who are not really trying their hardest, and to be impolite where necessary." Through a 2007 merger, Mellon became part of today's Bank of New York Mellon Corp.

Mr. Cahouet died June 20 at his home in Sewickley Heights, Pa. He was 85 and had Parkinson's disease.

—James R. Hagerty

TONY DICICCO
1948 — 2017

Coach Saw Big Potential For Women's Sports

In 1997, Tony DiCicco, head coach of the U.S. women's national soccer team, attended a game between Central Connecticut State and Monmouth University. His buddy coached Central Connecticut, and Mr. DiCicco wanted to show his support.

A Monmouth player named Christie Pearce caught his eye. Ms. Pearce was raw. She had few foot skills and little understanding of the game, but she was much faster than everyone else and she had that unteachable streak of aggression.

A few weeks later, Mr. DiCicco invited Ms. Pearce, then the captain of the school's basketball team, to a training camp for the U.S. women's soccer team.

Christie Pearce, who later became Christie Rampone, went on to play with the women's national team for the next two decades, as it won two Olympic gold medals and two World Cups.

Her rise from obscurity—thanks to the instincts of the coach who led the team to its Zeitgeist-changing triumph in the 1999 World Cup—is emblematic of the way Mr. DiCicco went about his work.

That work, and specifically that triumph of the U.S. women in 1999, changed the sports landscape and the athletic career prospects for women in the U.S.

Mr. DiCicco died of cancer June 19. He was 68.

—Matthew Futterman

FROM PAGE ONE

BRAZIL

Continued from Page One

But in December last year, the family-owned company pleaded guilty to taking part in Brazil's vast Car Wash corruption scheme, which began as a money-laundering probe named after a gas station and has drawn in some of the country's major industries.

Odebrecht admitted to paying almost $800 million in bribes to governments across the world for scores of contracts, signing what was at the time the biggest anticorruption settlement in history, agreeing to pay U.S., Brazilian and Swiss authorities at least $2.6 billion. According to prosecutors, corruption had become so integral to the company's business model that Odebrecht even had its own "bribery department."

Mr. Guidolin said corruption wasn't spread throughout the group and that it has taken all the measures to ensure such practices will never happen again.

Marcelo Odebrecht, the former chief executive and heir to the family empire, is now in prison in connection with the case, and Odebrecht's bonds plummeted recently as investors feared the 73-year-old group could struggle to pay its debts. As well as facing possible further fines around the world, Odebrecht has suffered a credit squeeze after Brazil's state development bank cut off its access to subsidized finance. Concerns also have grown about Odebrecht's ability to win new projects.

After the company's spectacular fall from grace, the Odebrecht family, which arrived in Brazil from Germany in the mid-nineteenth century, now realizes it is time to loosen its grip over the conglomerate in a bid to reassure investors, according to the group.

"Car Wash was not the end and it will not be the end of Odebrecht," Mr. Guidolin said.

Emílio Odebrecht, the family patriarch and chairman, is expected to step down from the board at the end of next year, the company said. And his son Marcelo, who was arrested in June 2015 and convicted as part of the Car Wash probe, won't return to the company's helm.

JEFFREY GREENBERG/UIG/GETTY IMAGES (AIRPORT); GETTY IMAGES (DAM)

CHRISTIAN PETERSEN/GETTY IMAGES (ARENA); ARNULFO FRANCO/ASSOCIATED PRESS (HAVANA); DESMOND BOYLAN/ASSOCIATED PRESS (TOCUMEN)

Projects Odebrecht has worked on, clockwise from top left: Miami International Airport; the Port of Mariel in Cuba; Tocumen International Airport in Panama; the Miami Heat's American Airlines Arena; and Seven Oaks Dam in San Bernadino County, California.

The company said members of the founding Odebrecht family will no longer occupy top executive roles at the company, but continue as shareholders. In some of the businesses, the family would consider selling off controlling stakes to outside investors. Mr. Guidolin said outside investors could buy stakes in some of the businesses before they are listed. Odebrecht has even discussed changing the name of its holding company. The hope is that bringing in outsider investors will increase transparency as well as fresh capital, Mr. Guidolin said.

One of Odebrecht's first priorities is to free up liquidity after the company's revenue slumped in the wake of its chief executive's arrest, the company said. In the 12 months before December 2016, the company's revenue is estimated to have dropped about 30% to $27.1 billion from $40 billion, according to people close to the company.

Odebrecht said it has fired tens of thousands of workers since 2013, and it has shrunk to 10 businesses from 15 over roughly the past year. But Mr. Guidolin said the group wasn't considering selling what it considers to be one of its crown jewels—its controlling stake in petrochemical company Braskem, which is already publicly traded.

If Odebrecht's rescue plan works—and observers say that is still a big if—the strategy could serve as a blueprint for the scores of companies implicated in Car Wash that are now struggling to attract investors and clients.

As part of Odebrecht's settlement, two independent compliance monitors have been working from the 16th floor of Odebrecht's São Paulo office since March. Compliance policies have been overhauled and employees are required to wear the company's 10 anticorruption commandments on plastic badges around their neck at all times. "Combat corruption" is No. 1.

Yet some wish Odebrecht was doing more. Odebrecht's decision to appoint Mr. Guidolin, a company veteran who was most recently vice president of investments, was a missed opportunity to appoint a true outsider, said Daniel Vargas, a law professor at Getulio Vargas Foundation in Rio de Janeiro.

Mr. Guidolin himself said it would have been a mistake to bring in someone new. They wouldn't have "known where the problems are," he said.

Legal experts say Odebrecht may struggle to move on while foreign governments are still carrying out follow-on investigations from its December plea deal. Vladimir Aras, a Brazilian prosecutor who leads the international cooperation unit of the attorney general's office, said he has received dozens of requests for information related to the Odebrecht case from 10 foreign governments, including the U.S.

But one of the biggest obstacles to Odebrecht's recovery plan continues to be the Brazilian government. Brazil's state development bank BNDES is still refusing to finance international projects linked to Odebrecht and several other construction companies implicated in the graft scandal.

U.S. WATCH

MILITARY

Pentagon Delays on Transgender Troops

Defense Secretary Jim Mattis is giving the military chiefs another six months to conduct a review to determine if allowing transgender people to enlist in the armed services would affect the "readiness or lethality" of the force.

Pentagon spokeswoman Dana White said Mr. Mattis made the decision Friday. The delay in allowing the enlistment of new recruits doesn't affect transgender troops who are already serving openly in the military.

"After consulting with the service chiefs and secretaries, I have determined that it is necessary to defer the start of accessions for six months," Mr. Mattis said in a memo. "We will use this additional time to evaluate more carefully the impact of such accessions on readiness and lethality."

Stephen Peters, Human Rights Campaign spokesman and a Marine veteran, said, "Each day that passes without the policy in place restricts the armed forces' ability to recruit the best and the brightest, regardless of gender identity."

—Associated Press

PLANT ACCIDENT

Power-Plant Mishap Kills Two Workers

An accident at a coal-fired power plant near Tampa, Fla., killed two workers and left four others hospitalized with what authorities called "life-threatening injuries."

The workers were drenched with thousands of gallons of molten coal slag while unclogging debris Thursday from underneath a boiler furnace at the Big Bend Power Station, according to Gordon Gillette, president of plant operator TECO Energy.

The federal government's Occupational Safety and Health Administration has opened an investigation into the incident.

This is the second time this year the plant has drawn federal scrutiny. On May 24, OSHA conducted an unannounced inspection after four workers were hospitalized due to the release of anhydrous ammonia.

—Russell Gold

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WORLD NEWS

Trump, Moon Unite on North Korea

Amid trade tensions, presidents say they will work together against threat

By Carol E. Lee, William Mauldin And Eli Stokols

WASHINGTON—President Donald Trump and South Korean President Moon Jae-in vowed to coordinate on a strategy for confronting North Korea in a display of unity after their first meeting on Friday, even amid a show of tensions over bilateral trade.

Mr. Trump called for additional sanctions on North Korea and left open the possibility of military force to confront the threat from Pyongyang.

"Our goal is peace, stability and prosperity in the region, but the United States will defend itself—always defend itself," Mr. Trump said in an appearance with Mr. Moon at the White House.

Mr. Moon said the two leaders agreed on an approach that includes sanctions and dialogue. He also said Pyongyang's provocations require a "strong response."

Their statements marked an effort to signal to North Korea that there is no daylight between the new U.S. and South Korean leaders on their preferred approaches to the country, even though Mr. Trump has taken a hard-line stance while Mr. Moon has called for talks.

Mr. Moon said that Mr. Trump accepted his invitation to visit South Korea this year.

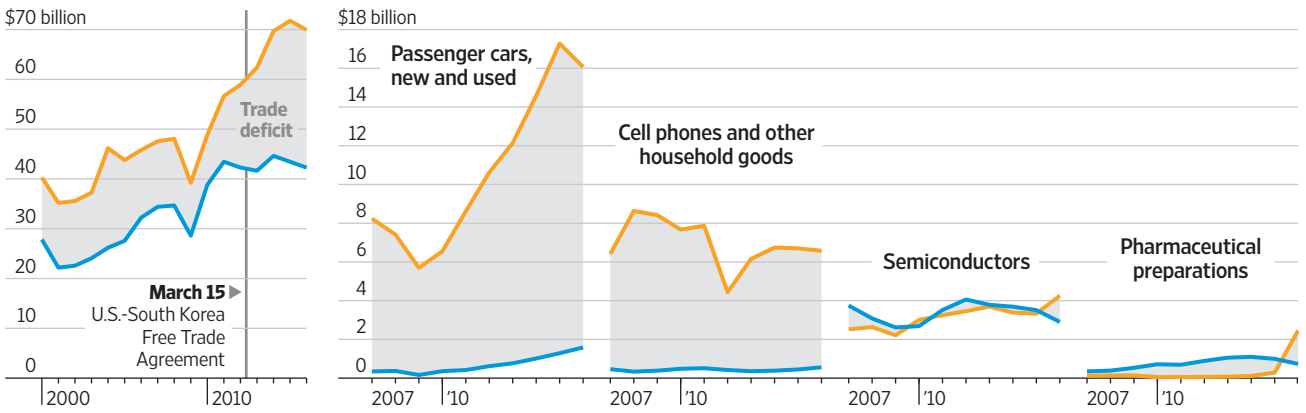
The two leaders also discussed differences on economic issues, particularly trade.

"We are renegotiating a trade deal right now as we speak with South Korea and hopefully it will be an equitable deal, a fair deal to both parties," Mr. Trump said. "It's been a rough deal for the United States, but I think it will be much different."

Growing Gap

The U.S. trade deficit in goods with South Korea has expanded since a free-trade pact between the two nations took effect in 2012.

Trade between the U.S. and South Korea: Imports from Korea Exports to Korea



Source: U.S. Census Bureau

THE WALL STREET JOURNAL.

Mr. Trump said U.S. officials are discussing barriers to the auto trade and the export of "dumped" steel from South Korea.

Business leaders have been pushing for the U.S. and South Korea to address differences on trade without opening up an existing trade agreement to full renegotiation.

U.S. Trade Representative Robert Lighthizer told lawmakers last week that the administration is looking very closely at the South Korea free-trade agreement but there are "no plans to drop out."

The agreement—the second-biggest U.S. deal measured by trading volume—contains a mechanism called the joint committee that allows the countries to address problems with the pact.

"At the direction of the president, Ambassador Lighthizer is calling a special joint committee meeting to begin the process of renegotiating and amending the deal," White House spokeswoman Sarah Huckabee Sanders said Friday. "The president is committed to getting a better deal for the American people."

A spokeswoman for Mr. Lighthizer declined to comment Friday on plans for the trade agreement.

MICHAEL REYNOLDS/EUROPEAN PRESSPHOTO AGENCY

Donald Trump and South Korea's Moon Jae-in at the White House.

The renewed economic pressure on South Korea was met with concern from a key GOP lawmaker.

"I'm a little surprised by the decision to renegotiate our Korea trade agreement when there is such urgency for us to address America's absence in the larger Asia-Pacific region," said Rep. Kevin Brady of Texas, chairman of the House committee that oversees trade. He said the Korea agreement has been "successful."

The U.S. imported $69.9 billion in goods from South Korea last year but exported only $42.3 billion, resulting in a trade deficit of $27.6 billion. Five years earlier, the trade deficit was $13 billion.

Some U.S. industry and labor critics said South Korea has kept its currency artificially cheap against the dollar in the past, gaining a trade advantage. Seoul denies manipulating its currency for trade advantage, saying it intervenes for the purpose of smoothing out short-term fluctuations.

South Korea is a major source of steel in the U.S. as special tariffs are blocking many types of Chinese steel due to alleged dumping and subsidies.

U.S. officials blame China's high production of steel for contributing to a global glut that shows up in low-price imports from South Korea and other countries, and the Trump administration is conducting an investigation that could end in broad barriers against global steel imports.

The meeting Friday came amid concerns about the strength of the alliance under Messrs. Trump and Moon.

On Thursday, the new South Korean leader told congressional leaders that he wouldn't seek to cancel or reverse the deployment of a missile-defense system that is aimed at countering North Korea and supported by the U.S.

—Jonathan Cheng in Seoul contributed to this article.

China Protests Arms Sale To Taiwan

By Jeremy Page

BEIJING—Days before President Donald Trump is expected to meet his Chinese counterpart for the second time, Beijing accused the U.S. of violating the "spirit" of their first meeting by approving arms sales to Taiwan and unilaterally sanctioning Chinese entities linked to North Korea.

China lodged formal diplomatic protests over the $1.42 billion arms sale, even as preparations were under way for President Xi Jinping's bilateral meetings at the Group of 20 summit in Hamburg, Germany, next week, a Chinese Foreign Ministry spokesman said.

The spokesman, Lu Kang, said the weapons transfer and other U.S. "wrongdoings," including sanctions on Chinese entities, were inconsistent with progress made at the two leaders' first meeting at Mar-a-Lago in April. "We hope that the U.S. administration can correct its mistakes, so that China-U.S. relations can get back on a healthy and stable track," he said.

The Trump administration said Thursday that it had approved the weapons sale to Taiwan and sanctioned four Chinese entities, including a bank it said helped Pyongyang access the U.S. financial system.

U.S. officials say they have been disappointed in the past month by China's response to their appeals for Beijing to use its economic leverage to help prevent North Korea from developing a nuclear missile capable of hitting continental U.S.

The U.S. moves came at a politically sensitive time for Mr. Xi, who is presiding over celebrations marking the 20th anniversary of the end of British colonial rule in Hong Kong.

ALEXEI DRUZHININ/SPUTNIK

Former Secretary of State Henry Kissinger met with President Vladimir Putin in Moscow on Thursday.

Russia Lowers Expectations Ahead of Trump Meeting

By Nathan Hodge

MOSCOW—Russian officials are cautious about expectations for a fresh start in relations with Washington despite a planned first meeting between Russian President Vladimir Putin and President Donald Trump next week.

Mr. Trump—who once expressed hope that Mr. Putin would become his "new best friend" in a 2013 tweet—is embroiled in investigations over links between Russia and members of his campaign team and inner circle. Russia's political establishment, which once hoped for a dramatic about-face in relations, now believes the U.S. president is hamstrung on foreign policy.

On Friday, a day after senior U.S. officials confirmed the two leaders would meet on the sideline of the Group of 20 wealthiest nations summit in Hamburg, Germany, Russian Foreign Minister Sergei Lavrov expressed hope that "pragmatism will prevail."

But he added that U.S.-Russian relations "have become hostage to the internal politics" inside Washington.

"We expect that the meeting of our presidents in Hamburg...will bring clarity to the question of the prospects for Russian-American interaction," the Russian diplomat said. Russian lawmakers and diplomats have for months now been peddling the line that the U.S. "establishment" or "deep state" won't allow Mr. Trump to have a rapprochement with Russia.

Mr. Lavrov was speaking at a forum in Moscow attended by former U.S. Secretary of State Henry Kissinger, whose remarks on the history of U.S.-Russian relations were carried on Russian state television. The American statesman also met with Mr. Putin in the Kremlin on Thursday.

Moscow now believes the U.S. president is hamstrung on foreign policy.

"Tensions between the United States and Russia are not a rare event" historically, Mr. Kissinger said, but he added that the two countries have been able to overcome differences through negotiation and diplomatic effort.

U.S.-Russian relations have been under extraordinary strain since Moscow annexed the Black Sea region of Crimea from Ukraine in 2014. The Russian government's backing of Syrian President Bashar al-Assad has further stoked confrontation, particularly after a suspected chemical attack that the U.S. blamed on the regime prompted Mr. Trump to order airstrikes on a Syrian base.

But Mr. Putin has been able to project confidence since the onset of the Ukraine crisis: His country has returned to economic growth, and his military has scored successes in propping up Mr. Assad. The World Bank projects GDP growth for Russia of 1.3% this year, after two years of recession.

Russia continues to chafe under U.S. and Western sanctions. And the Russia scandal roiling Washington has rolled back hopes in Russia that Mr. Trump would make a sweeping deal with Mr. Putin that would reset relations in exchange for curtailing or softening sanctions.

Talk instead in Moscow now focuses on living with sanctions. Some sectors of the economy have even thrived: Russia's agriculture firms have seen growth amid "counter-sanctions" imposed by Russia on European importers in retaliation for EU measures. Mr. Putin signed a decree Friday extending those sanctions until the end of 2018.

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WORLD NEWS

Germany Backs Same-Sex Marriage

By Andrea Thomas

BERLIN—Germany's parliament legalized same-sex marriage in a snap ballot Friday despite Chancellor Angela Merkel's no vote.

The approval followed a debate in the Bundestag lower house of parliament after Ms. Merkel in a surprise move Monday said she would want lawmakers to decide on the issue as it fits their conscience, freeing her center-right party from a line whip because the bloc's platform defines marriage as the union of a man and a woman.

In a suddenly scheduled vote Friday at the house's final meeting before the summer break, 393 lawmakers voted for the same-sex marriage while 226 voted against it and four abstained.

Ms. Merkel said after the ballot that she voted against same-sex marriage because although she wants same-sex couples to have the right to adopt, she believes "the marriage in Germany's constitution is the marriage between man and woman."

But she also said opposite views must be respected.

One senior lawmaker from her junior coalition partner, the Social Democrats, attacked the chancellor's maneuver this week as "disgraceful" and said she had failed to support marriage for gay people since she came to power 11 years ago.

"Thanks for nothing," shouted Johannes Kahrs, an openly gay lawmaker with the Social Democrats, during the lower house debate.

The sudden vote was possible because although no bill to legalize same-sex marriage had been voted on previously, several had already been submitted to parliament.

Ms. Merkel's challenger for the chancellorship in the September election, Social Democrat Martin Schulz, on Tuesday had responded to the chancellor's comments by demanding a vote by Friday, when the lower house of parliament was to adjourn for the summer.

Some in the chancellor's conservatives party sharply attacked the Social Democrats' move because it was contrary to the coalition treaty between both blocs.

Around a dozen EU countries, including France, Spain and Belgium, allow same-sex marriage.

Ms. Merkel was under pressure to move on the issue because all her potential coalition partners after the September election—the Social Democrats, the environmentalist Greens, and the business-friendly Free Democrats—had voiced their support for same-sex marriage, which polls show a broad majority of Germans approve.

—Anton Troianovski contributed to this article

TOBIAS SCHWARZ/AGENCE FRANCE-PRESSE/GETTY IMAGES

Germans celebrating the vote at a rally in front of the Brandenburg Gate in Berlin on Friday.

Country Joins Expanding Club

European countries that have approved same-sex marriage

- **2001** Netherlands
- **2003** Belgium
- **2005** Spain
- **2009** Norway; Sweden
- **2010** Portugal; Iceland
- **2012** Denmark
- **2013** France
- **2014** Britain
- **2015** Luxembourg
- **2015** Ireland
- **2017** Finland

Le Pen Faces Possible Charges

By Noemie Bisserbe

PARIS—Paris prosecutors pressed preliminary charges of breach of trust against National Front party leader Marine Le Pen as part of an investigation into whether she misused European Union funds, according to a person familiar with the matter.

French authorities suspect Ms. Le Pen, who was a member of the European Parliament from July 2004 to June 2017, cut checks to party officials using funds earmarked for parliamentary assistants, according to the person familiar with the matter.

At the end of the probe, magistrates could decide to charge Ms. Le Pen and order her to trial, or dismiss the preliminary charges.

A lawyer for Ms. Le Pen didn't respond for a request to comment. Ms. Le Pen didn't respond to an email requesting comment. She has previously dismissed the allegations as an attempt to thwart her party.

The preliminary charges come as a new blow to Ms. Le Pen, who has seen support for her far-right party crumble in recent weeks. After knocking at the gates of power in May, the National Front won just eight of the 577 seats in French Parliament in June, dashing her hopes of leading the opposition.

The French probe stems from investigations EU authorities conducted in 2014 and 2015 into whether Ms. Le Pen and other National Front representatives to the European Parliament improperly paid their political aides.

Ms. Le Pen hired her former sister-in-law Catherine Griset for an assistant post that under the European Parliament's rules must be based out of one of its seats in Brussels and Strasbourg, France.

From 2010 to 2015, Ms. Griset received €294,592 (about $336,000) in salaries and expenses, despite appearing for a total of around 12 hours in the Brussels Parliament from September 2014 to August 2015, according to a report by OLAF, the EU anti-fraud office, that was reviewed by The Wall Street Journal.

Prosecutors have filed preliminary charges of breach of trust and receiving misappropriated funds against Ms. Griset, who didn't respond to requests to comment.

—Nick Kostov and Laurence Norman contributed to this article.

Parents Lose Fight to Extend Baby's Life

By Joanna Sugden

LONDON—The parents of a brain-damaged baby boy spent Friday at his bedside after losing a monthslong legal battle that has focused attention on the role of British and European courts in end-of-life decisions for the very young.

Doctors caring for the child, 11-month-old Charlie Gard, have won judges' permission to discontinue life support despite his parents' objections, saying his rare genetic disorder can't be effectively treated and that keeping him on a ventilator could be causing him pain.

A spokesman for Great Ormond Street Hospital for Children in London declined to say when life support would be withdrawn. "Together with Charlie's parents we are putting plans in place for his care, and to give them more time together as a family," he said.

The boy's mother, Connie Yates, and father, Chris Gard, have fought to extend his life, saying they want to take him to the U.S. for an experimental therapy. That treatment hasn't been tested on people or animals with Charlie's condition.

Britain's Supreme Court decided in June that prolonging Charlie's life would be "not in his best interests." His parents asked the European Court of Human Rights to overturn the ruling. The court said the case raised "sensitive moral and ethical issues" but declined to intervene.

"We are utterly heartbroken," the parents wrote on Facebook. "We and most importantly Charlie have been massively let down throughout this whole process."

Charlie's parents, wearing T-shirts with the slogan "If he's still fighting, we're still fighting," said in a video posted on YouTube on Thursday that doctors had barred them from taking Charlie home to die after the court's decision. A hospital spokeswoman said she couldn't discuss details of patient care.

Lawyers for the family didn't respond to requests to comment.

Under British law, parents have the right to make decisions about the treatment of their children as long as choices don't contravene a child's "best interests." Usually, it is parents who decline a treatment for their child on moral or religious grounds who end up in court.

In Charlie's case, it was doctors who wanted to stop treatment, in a move that has generated wide public interest and debate in the U.K., driven by a social-media campaign led by Mr. Gard and Ms. Yates.

Joseph J. Fins, a medical ethicist at Weill Cornell Medical College in New York, said he doubted a U.S. court would order withdrawal of care from a child against parents' wishes. He said judges would likely intervene only if there were a split between parents over what course to pursue or if a child's own wishes were known.

"What you try to do is to align the needs of the child for palliative care with the parents' understanding of what is in the child's best interest," Dr. Fins said. "Usurping parental rights in a democracy is a decrease in liberty."

Dominic Wilkinson, an ethicist at the University of Oxford, said in the U.K., parents, "although they have a very important role in making lots of decisions for their children including medical decisions, don't have an absolute right." If they make harmful choices, the law says "the state should be allowed to intervene."

The Catholic Church in England and Wales, in a statement after the EU court's decision not to hear the case, said it would be wrong to "act with the deliberate intention to end a human life, including the removal of nutrition and hydration so that death might be achieved."

"We do sometimes, however, have to recognise the limitations of what can be done, while always acting humanely in the service of the sick person until the time of natural death occurs," the church's statement said.

Charlie was born in August 2016. He was diagnosed with infantile-onset encephalomyopathic mitochondrial DNA depletion syndrome.

"His brain, muscle and ability to breathe are all severely affected. In addition, he has congenital deafness and a severe epilepsy disorder," a professor who specializes in mitochondrial diseases told the U.K. High Court that heard the case.

Charlie's parents used a crowdfunding website to raise money to take Charlie for an experimental treatment in the U.S. The page had raised more than $1.7 million by Friday.

In a post on his Facebook page in March, Mr. Gard wrote: "If I could swap places with you my boy I would do it in a heartbeat. I've lived my life and you've hardly even started yours yet."

PA/ASSOCIATED PRESS

Connie Yates and Chris Gard with their son, Charlie.

WORLD WATCH

FAVRE/EUROPEAN PRESSPHOTO AGENCY

President Xi Jinping of China attended a ceremony Saturday to mark the swearing in of Hong Kong's new chief executive, Carrie Lam.

HONG KONG

China's President Warns of Red Line

Chinese President Xi Jinping warned Hong Kong that any attempts to sabotage the government in Beijing cross a red line and won't be tolerated, in a speech marking the 20th anniversary of the city's return to Chinese rule from Britain.

Hong Kong must improve its governance systems to deal with confrontations and politicization in the city, Mr. Xi said at a ceremony to mark the swearing in of Hong Kong's new chief executive, Carrie Lam, widely seen in Hong Kong as Beijing's pick for the job.

Mr. Xi is making his first visit to Hong Kong as China's president, as the mainland exerts growing influence on the former British colony, which is supposed to enjoy limited autonomy under a "one country, two systems" arrangement introduced in the 1997 handover.

The visit has been marked by small-scale protests, though nowhere near the scale of the 2014 Occupy protests against Beijing's refusal to allow democratic elections for the city's top job.

—Chester Yung and John Lyons

JAPAN

Criminal Trial Opens Over Plant Meltdown

Three former executives from Tokyo Electric Power Co. pleaded not guilty to negligence charges at the start of the only criminal trial related to Japan's nuclear-plant meltdown six years ago.

Former Tepco Chairman Tsunehisa Katsumata and the ex-heads of the utility's nuclear division, Sakae Muto and Ichiro Takekuro, told the Tokyo District Court it wasn't possible to have foreseen the estimated 43-foot tsunami that struck the Fukushima Daiichi plant on March 11, 2011, triggering meltdowns in three of the plant's six reactors.

Prosecutors twice decided not to indict the executives, saying the failure to protect the plant didn't constitute criminal oversight. Citizen panels challenged that decision, triggering the trial.

—Mayumi Negishi

ECB Official Urges Pullback on Stimulus

By Andrea Thomas And Tom Fairless

BERLIN—The European Central Bank should prepare to reduce its monetary stimulus despite falling short of its inflation target, a top ECB official said, wading into a high-stakes debate over how soon the central bank should alter its policy mix in response to an accelerating economy.

Financial markets seesawed this week after ECB President Mario Draghi indicated the central bank wouldn't wait for higher inflation to start winding down its €60 billion ($68.6 billion) monthly bond-buying program, known as quantitative easing.

Sabine Lautenschläger, who sits alongside Mr. Draghi on the ECB's six-member executive board, argued Friday that the ECB "should already be making preparations for a return to a normal [policy] stance."

"It is important to prepare for different times, for there is reason to be optimistic," she said in Berlin, pointing to economic indicators that are hitting postcrisis highs.

The dilemma for the ECB is that, while economic growth is strong and unemployment is falling across the region, inflation remains too weak. It slid to 1.3% in June from 1.4% the previous month, according to data published by the European Union on Friday, some way from the ECB's target of just below 2%.

In Portugal on Tuesday, Mr. Draghi suggested the ECB could ignore weak inflation if it was being caused by temporary factors such as falling energy prices.

Many analysts expect the ECB to announce in September or October that it will start winding down its bond purchases early next year. Mr. Draghi signaled on Tuesday that such a move would be gradual.

Ms. Lautenschläger is one of two Germans on the ECB's rate-setting committee, and as such is seen as one of its most hawkish members, meaning she is particularly focused on keeping inflation in check.

She said it was "imperative that monetary policy should return to normal as soon as can be justified." She warned that the ECB's easy-money policies had undesired side effects that increased with time, including the creation of asset-price bubbles.

While "inflation is not yet on a stable path toward our objective, all the conditions are in place. It is just a question of time and patience," Ms. Lautenschläger said.

—Paul Hannon in London contributed to this article.

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Iraq and Militias Duel Over Next Big Fight

Baghdad says it will steer ISIS offensive, but Iran-backed Shiite fighters want that role

By Tamer El-Ghobashy And Ali A. Nabhan

MOSUL, Iraq—A political dispute threatens to complicate Iraq's next big battle against Islamic State as the extremists face imminent defeat in Mosul: Both the U.S.-backed Iraqi military and Shiite militias supported by Iran want to spearhead the fight.

The militias have surrounded Tal Afar, which has strategic and symbolic value to Islamic State, in a bid to choke off the terror group's supply lines between Iraq and neighboring Syria. The militias are eager to avenge the loss of Tal Afar to Islamic State in 2014, which was followed by mass executions of Shiites.

But the Iraqi government says the military will be in charge of the Tal Afar campaign. The military is currently fighting Islamic State in Mosul, a much larger city about 75 miles to the east. The extremist fighters are cornered in Mosul's Old City and expected to lose there within weeks.

"We are seeing the end of the fake Daesh state," Iraqi Prime Minister Haider al-Abadi said Thursday, using an Arabic acronym for Islamic State.

Both the Iraqi military and the Shiite militias report to Mr. Abadi. The militias were legally incorporated into Iraq's security apparatus last year, though their top leaders have close ties to Tehran.

Tal Afar had a population of about 200,000 before Islamic State took over, but the town has outsize importance because of its proximity to Syria and Turkey. The U.S. and Turkey worry that Tehran wants its militia allies to take Tal Afar to help secure a land corridor by which Iran could move fighters and resources through Iraq into Syria, a longtime Iranian ally, and on to Lebanon, where Iran's Hezbollah proxy is based.

Maj. Gen. Joseph Martin, the commander of U.S. ground forces in Iraq, said that he expects the Iraqi military to lead the fight for Tal Afar and added that U.S. advisers "will be right there with them." The U.S. won't work with the Shiite militias, he said.

Turkey has threatened to send in its own troops if the Shiite militias lead the fight for Tal Afar, which was once part of the Ottoman Empire and is the historic home of many Shiite and Sunni Turkmen.

FADEL SENNA/AGENCE FRANCE-PRESSE/GETTY IMAGES

Iraqi troops hold upside-down the Islamic State flag outside the Nouri mosque in Mosul's Old City on Friday, a day after its recapture.

Source: Institute for the Study of War THE WALL STREET JOURNAL.

The jockeying for battlefield influence is taking place amid rising tension between the U.S. and Iran-backed forces seeking to buttress the Damascus regime. In recent weeks, U.S. forces have shot down a Syrian regime warplane and two Iranian-made drones viewed as threats to the U.S. and allied fighters in the campaign against Islamic State in Syria, and carried out airstrikes on Syrian forces and their Iranian-backed allies in southern Syria.

Iraqi officials estimate between 1,000 and 1,500 Islamic State fighters remain in Tal Afar. The extremists have used the town as a way station between Mosul and Raqqa, the group's de facto capital in Syria.

The Shiite militias have had Tal Afar surrounded for at least six months, and the siege has weakened the remaining militants there. It has also taken a toll on civilians, who are contending with shortages of food and clean water, according to a local official.

Iraqi officials say forces will enter the town soon after Mosul is declared liberated. The U.S.-led coalition fighting Islamic State has been coordinating airstrikes in Tal Afar for about eight months with the Iraqi military, which is stationed outside the town.

The presence of the Shiite militias around Tal Afar is due to a political concession Mr. Abadi made to keep them out of the fight for Mosul, a majority Sunni city.

The militias are credited with helping to protect Baghdad during Islamic State's sweep through Iraq in 2014, and later with helping win back important cities like Tikrit and Fallujah. But the militias have been dogged by accusations of killing Sunnis they suspect of sympathizing with Islamic State, a Sunni-led group.

The militias have said that the abuses are isolated and that the militias have become more disciplined. The militias say their sacrifices in the fight to surround Tal Afar give them the right to lead the battle.

The U.S. is opposed to that possibility. A senior U.S. official pointed to the issue of who would hold ground in Tal Afar recaptured from Islamic State. "We don't want those vacuums filled by Shiite militias," the official said.

Sunni tribal fighters from Tal Afar, armed and trained since last year by U.S. military advisers, say they have already been marginalized and, in some cases, abused by the Shiite militias.

"They believe Tal Afar is Shiite and should be dominated by Shiites," said Fahd al-Zammu, a Sunni Turkmen tribal commander who has 75 fighters registered to join the Tal Afar battle.

"All sides want Tal Afar due to its strategic and significant position," said Ali al-Halay Beq, a senior Sunni tribal leader involved in negotiations over who will lead the fight for the town. "But no one wants Tal Afar's people."

—Ghassan Adnan in Baghdad contributed to this article.

Watchdog Confirms Sarin's Use In Syria

By Julian E. Barnes

Deadly sarin gas was used in an attack in Syria in April, the international chemical weapons watchdog confirmed Friday, days after the U.S. accused the Syrian government of preparing for a similar attack.

The U.S., U.K. and other Western powers have previously accused President Bashar al-Assad's government of using the nerve agent in the April 4 attack on the town of Khan Sheikhoun in Idlib province, in which at least 85 people were killed, according to rescue workers and an opposition monitoring group.

The confirmation by the Organization for the Prohibition of Chemical Weapons doesn't assign blame for the gas attack. A joint United Nations-OPCW investigation will use the findings to evaluate who was responsible.

Mr. Assad said in April that his government had given up its chemical-weapons arsenal a few years before. Russia, his main ally along with Iran, called the allegations of Syrian regime involvement in the April attack "baseless."

In response to the gas attack, the deadliest use of chemical weapons in Syria since 2013, President Donald Trump ordered a missile attack on the Syrian air base that Washington said had played a role in the assault.

In releasing its findings Friday, the OPCW said its investigators weren't able to reach Khan Sheikhoun. However, the organization said it attended autopsies, collected medical samples from the casualties and interviewed witnesses.

On Monday, the Trump administration said it had evidence of possible preparations by the Syrian government to carry out another gas attack and warned Damascus against doing so, a threat Russia denounced as "unacceptable." Two days later, Defense Secretary Jim Mattis said the warning had appeared, at least for now, to have deterred Mr. Assad's forces.

Striking Brazilian Union Workers Bring Cities to a Stop

ERALDO PERES/ASSOCIATED PRESS

FIERY PROTESTS: Military policemen get ready to clear a barricade on an access highway to Brasília on Friday. Unions representing transportation workers and others shut down roads and highways in cities and surrounding regions across the country to protest proposals in Congress to loosen labor rules and trim pension benefits.

American Held a Year in Venezuela, Still No Trial

By Ryan Dube

Joshua Holt, a 25-year-old former Mormon missionary from Utah, moved to Venezuela last year to marry his fiancée.

But a year ago Friday, he and his Venezuelan bride, Thamara Caleño, were arrested in their apartment in Caracas and accused by President Nicolás Maduro's government of spying and stockpiling weapons—allegations human-rights lawyers and U.S. officials say are trumped up. The couple has been in Caracas's notorious Helicoide prison ever since.

Mr. Holt's mother, Laurie Holt, says she has been alarmed by the fate of Otto Warmbier, the U.S. college student who died after being jailed for a year in North Korea.

"It gives me great anxiety that something like that happens to Josh and I don't get him home alive," she said. "That is my biggest fear."

Sen. Orrin Hatch (R., Utah) said Friday marked a "devastating anniversary" and U.S. authorities remained "anxiously engaged in the fight for his freedom."

The State Department reiterated its call for Mr. Holt's release, citing "serious doubts about the merits and lawfulness of his detention."

Venezuelan officials, who frequently accuse the U.S. of orchestrating antigovernment plots without offering evidence, have said state security officers found weapons in Mr. Holt's apartment and linked him to armed groups allegedly seeking to overthrow the government. Mr. Holt and his wife have never been formally charged or given a hearing. Neighbors told Mr. Holt's family the weapons were planted.

"He's an innocent person detained arbitrarily and his only crime is being a U.S. citizen," said Marino Alvarado, a rights lawyer in Caracas. Mr. Alvarado said the Maduro government has sought to tie foreign detainees to what it asserts is foreign intervention.

RICK BOWMER/ASSOCIATED PRESS

Laurie Holt held up a photograph of her son Joshua Holt in 2016.

The Venezuelan government didn't respond to requests to comment about the Holt case and wouldn't say how many other Americans, if any, are held in Venezuelan jails for political reasons.

Mrs. Holt, who receives occasional messages from her son via his lawyers and Ms. Caleño's family, said her son has lost 60 pounds in captivity and has had pneumonia, bronchitis, and a ruptured hemorrhoid that led to profuse bleeding. This past Christmas, she said, he had "some kind of blood infection." Last week, she learned that he was suicidal.

"I feel like his mental state, his depression...he's just kind of given up," she said.

Mr. Holt met his wife, also a Mormon, online, and moved to Venezuela. They planned to live in the U.S. once Ms. Caleño received a visa.

But three weeks after arriving, the newlyweds were sleeping in their apartment when state security officers arrived at the complex, knocking on doors as they searched for people the authorities believed were tied to the killing nearby of a ruling-party official, Mrs. Holt and Venezuelan officials said.

When the officers heard there was an American in the complex, Venezuelan officials said in 2016, they rousted Mr. Holt and Ms. Caleño from bed and arrested them.

His mother said recent messages suggest Mr. Holt has been downcast about his future. "He doesn't think he is ever going to leave," she said.

—Taos Turner and Kejal Vyas contributed to this article.

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TRIAL

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tacted the man via chat messages to what is listed in court documents as Mr. Mered's verified Facebook page.

Yes, he was in the people-smuggling business, this man said, but he no longer is. As for the one on trial in Sicily, "May God help him."

Political pressure is heavy in Europe to score a victory against the brutal business of people smuggling. Just this week rescuers pulled more than 10,000 migrants from boats, off Libya's coast and recovered 24 bodies.

It is estimated 14,000 people have died in Libya-based smuggling operations since 2013, fueling authorities' determination to capture operators such as Mr. Mered, for whom they long ago issued an arrest warrant.

BRITISH NATIONAL CRIME AGENCY/EUROPEAN PRESSPHOTO AGENCY; CAROLYN COLE/LOS ANGELES TIMES/GETTY IMAGES

Migrants sleep aboard a rescue ship in the Mediterranean, above; Italy has put on trial an alleged people smuggler called Medhanie Yedhego Mered, below right, but some say the defendant, below left, actually is an Eritrean migrant, Medhanie Berhe Tesfamariam.

Isolated land

Born poor in rural Eritrea, Mr. Mered fled the isolated land across the Red Sea from the Arabian peninsula, as have countless other young men facing a future of forced military service. For cash, according to Italian prosecutors, he began helping his countrymen make their way to Israel through Sinai, a route bedeviled by bandits and kidnappers.

In 2013, Israel sealed off that route just as another, more lucrative path had opened up. The post-Arab Spring collapse of law and order in Libya created rich opportunities to smuggle people, guns, drugs and contraband.

Moving to Libya around 2013, Mr. Mered seized on the surge of African migrants trying to get to Europe. He set up shop in the Libyan port of Zuwara, turning a three-story building into a smuggling depot, according to Italian court documents.

By 2015, with migrants paying up to $2,000 apiece to sail from Libya to Italy, Mr. Mered was grossing $1 million in a good week, according to the Italian state's evidence. His network of contacts stretched to Sweden, Germany and the Netherlands.

Italian authorities say they have confirmed Mr. Mered's operation smuggled 7,000 people to Italy between 2013 and 2015, and they suspect it was far more. One state's witness in Italy described Mr. Mered as "a king...the only man who could walk around Libya wearing a crucifix."

The man who calls himself the real Mr. Mered said he was "in the business between August 2013 and 2015." Besides being contacted by the Journal through a Facebook page listed in court documents, he was reached via Facebook by an old friend in Canada, who then spoke to him by phone and confirmed it was Mr. Mered's voice. The Journal also sent a message on WhatsApp to the man via a number listed in court documents, which was shown as having been read.

On wiretapped phone calls dating from the period when Mr. Mered was in the smuggling business, he voiced the anxieties of an overstretched crime boss: rivals breaking into his business and fears that the police were closing in.

"I am really scared, my friend," Mr. Mered is heard telling an associate on one call.

"Do you know when one starts to fear? It is when he has made money that he starts to fear."

In October 2013, the death of more than 360 Eritrean migrants in a shipwreck off the small Italian island of Lampedusa trained the world's attention on Europe's burgeoning migration problem. The calamity also moved Calogero Ferrara, a veteran mafia prosecutor in Sicily, to action. He decided to apply his techniques to a smuggling trade that had begun to rival drug trafficking.

"I was the first to investigate it in this way," the cigar-smoking prosecutor said in his office in Palermo packed with awards and "Wanted" posters of men he has gone after. "Basically, we're using the tools of a typical mafia investigation...wiretapping, intercepts, checking Facebook."

He soon ran into the obstacles that have made people smuggling one of the toughest crimes to pursue. While Italian police routinely nabbed the helmsmen of the boats, these were the small fish, often migrants who were steering the vessels under coercion. The masterminds stayed in African countries that provided little cooperation.

By sweeping tens of thousands of calls, and with support from investigators in Sweden, the Netherlands and elsewhere, Mr. Ferrara assembled a rough map of Libya-based smuggling networks. By 2014, he was homing in on one in particular, Mr. Mered's.

Mr. Mered, however, soon fled Libya, afraid of its rampaging militias, for Sudan. There, European law-enforcement officials last year saw their chance to nab him.

As the refugee crisis expanded, Sudan offered to help Europe in hopes of loosening decades of Western sanctions imposed for human-rights abuses and harboring terrorists. The U.K., Sudan's onetime colonial master, sent an agent from Britain's newly formed National Crime Agency to establish a rapport with the Sudanese state. The NCA declined to comment.

In July 2015, according to an account filed in the Italian court, the NCA informed Italy it had located Mr. Mered in Sudan. Italian prosecutors and NCA agents laid out a strategy to capture him, with the British lining up help from Sudan, according to an NCA memo. British agents supplied Mr. Ferrara's prosecution team with a cellphone number they said belonged to Mr. Mered.

Three times in May 2016, investigators intercepted calls on the phone. In one, they heard a discussion of helping a man emigrate, according to court documents.

"Medhanie, please help me," the first man said, in the Eritrean language of Tigrinya.

The prosecutor says his defendant is the right man, but 'a judge will see.'

"When you have the money, the situation will change," replied the second man.

The Sudanese pinpointed the location of the phone, placing the caller in Khartoum's Asmera Corner Café, a popular migrant hangout.

Sudanese police encircled the cafe and arrested the suspect while he was inside having tea. In his pockets, according to court documents, were a few scraps of paper and a cellphone containing the numbers of known smugglers—men who, in 2014 wiretaps, had been heard discussing people smuggling with Mr. Mered.

The Sudanese handed over the man to Italian police, who loaded their quarry on an Italian government plane and flew him to Rome. There, news footage showed a stunned-looking young man in a reddish shirt walking off a plane, handcuffed and flanked by police.

The NCA celebrated its victory in a statement that day, saying it had captured "one of the world's most wanted people smugglers."

Almost immediately doubts arose about the identity of the arrested man. He bore little resemblance to the photo on Mr. Mered's Facebook page, said several people—including Mr. Mered's wife, who lives in Sweden.

A number of Eritreans, some identifying themselves as relatives and others as friends of the arrested man, said he wasn't Mr. Mered. Instead, they said, he was a then-29-year-old Eritrean, Mr. Tesfamariam.

They described a man unlike the entrepreneurial smuggler at the center of an international manhunt.

One of seven children, Mr. Tesfamariam, quiet and reserved, had shown almost no ambition growing up in the Eritrean capital of Asmara, they said. He loved cycling and dreamed of studying in China, said his half sister, Hiwet Tesfamariam, yet he didn't even know where China was. He drifted from one menial job to another, among them delivering milk door to door.

In late 2014, facing a life of forced army service, Mr. Tesfamariam became part of the mass emigration that has marked Eritrea for a decade. He joined a sister in next-door Sudan, where he hoped to find a smuggler to take him to Europe.

His lack of drive and money left him stuck in Khartoum, spending his days playing videogames in a hovel he shared with four other migrants.

The man arrested by the Sudanese police in May 2016 had a battered Samsung i9105 phone containing pictures of himself hanging out in shabby clothes or sleeping on a bedraggled mattress. In Italy, he gave the police his Facebook password.

In the months after the arrest, reasons to think it was a mistake piled up.

Eritreans who said they had been smuggled by Mr. Mered said that he wasn't this man. Eritrea's government wrote to Rome saying the same, and providing a copy of Mr. Tesfamariam's identity papers. The defense said voice-recognition analysis showed the voice of the man in custody didn't match Mr. Mered's.

The defense offered a benign explanation of a wiretapped call on the cellphone found with the suspect, saying Mr. Tesfamariam was helping a friend whose family was trying to send him money to migrate.

An Italian lawmaker launched a parliamentary inquiry into the case, requesting information about the procedures followed to identify the man on trial. A couple of European governments, at the behest of their diplomats in East Africa, have asked the Italians to release the man in prison in Sicily.

Not giving up

Mr. Ferrara, the Sicilian prosecutor, is undeterred. In an interview, he cast doubt on evidence provided by Eritrea's government and by the supposed family members of the suspect, saying people in small communities might be looking out for one another.

"It is the same guy, at least according to our experts, but a judge will see," Mr. Ferrara said. "The problem we have...in these cases, we don't know exactly the names of these people. We have thousands of conversations of people who say they are Medhanie...it's a very difficult situation."

The trial, which began last fall, is expected to continue for months.

The half sister of Mr. Tesfamariam said her brother, sitting in a Sicilian jail, is "very desperate."

Far away, the man who says he is Mr. Mered has become a transient. "I have no permanent residence, I move from one country to another," he told the Journal. Facebook data this year put him in Uganda.

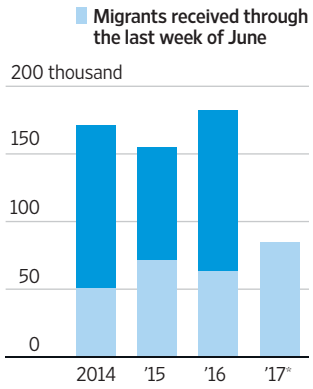
He said he had retired, having grown disillusioned with the smuggling business.

"If I am a bad person," he said, "I will be met with bad things."

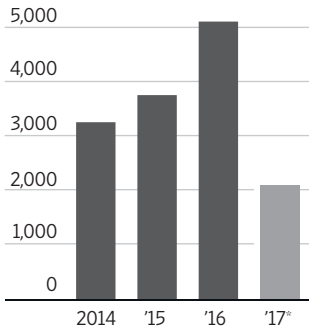
Perilous Passage

Libya-to-Italy is a primary and sometimes deadly route for migrants trying to get to Europe.

Arrivals in Italy from Libya



People who died trying to cross from Libya to Italy



*As of June 23
Sources: Frontex (2014-2016 arrivals); IOM (2017 arrivals, deaths)
THE WALL STREET JOURNAL.

DUCK

Continued from Page One

around the Toronto harbor at a time when worries are rising over the level of debt in Ontario, Canada's most populous province.

It is also a matter of national pride, which is also a Canadian obsession. "It's our country's birthday," says Mr. Wudrick. "No one wants to be a party pooper. But at least make sure the festivities have something to do with Canada."

His organization helped irate citizens in June launch a "duck off" campaign and organized their purchases of 797 mini rubber ducks that were dumped outside the office of Ontario's highest government official, Premier Kathleen Wynne. On Twitter, inflatable-duck objectors applauded the move, posting messages such as "If you the need the visual to celebrate, go stand in front of a Maple tree," and reminding people "This duck is not Canuck."

Festival co-producer Lea Parrell defended the choice, saying it is "something off-the-wall that makes people smile," but sympathizes with those calling for a more Canadian symbol.

"We did want a loon," she sighed, referring to Canada's ubiquitous black-and-white plumed bird that adorns the country's one-dollar coin. "We wanted a loon so badly."

The cost to design and build an inflatable loon from scratch was too high, she said.

Canada's national parks agency said it has looked into having another typically Canadian species, a giant inflatable beaver, at the festival to square off with the duck, but one wasn't available, a spokeswoman said. Instead, the agency will display a smaller 12-foot-tall version of its mascot Parka, a singing beaver wearing park-ranger clothes.

Sophia Kane, a 19-year-old student sitting on a bench along Toronto's waterfront this week, said people should relax and embrace the duck, but suggested that "next year, we should build a giant moose and shoot fireworks out from its antlers."

The giant duck has confused some tourists who couldn't understand the connection between the yellow bird and Canada's celebration. "Why wouldn't you have a giant maple leaf instead?" asked Jagdeep Walia, a 29-year-old resident of Virginia Beach, Va.

GREEN DOOR MEDIAWORKS

A giant duck will be part of Canada's 150th birthday celebrations.

Apart from the duck and beaver, other celebratory initiatives include a life-size game of snakes and ladders in Calgary "to embody the ups and downs" of the city's history, according to organizers. A red couch is being hauled across the country for people to sit on and talk about what Canada means to them while being filmed. Neither has been as divisive as the duck.

"The couch is actually a very symbolic element for Canadians' lives," said Ela Kinowska, project manager for the Red Couch Tour. "They do a lot on couches, like watching hockey, arguing and loving each other."

Adding to the tension is a dispute about the duck's origins.

A different giant duck has bobbed into harbors from Hong Kong to Amsterdam in recent years to celebrate events, often met with local fanfare. That duck, swimming the world since 2007, was the brainchild of Dutch artist Florentijn Hofman, who offered it as a nonprofit art installation to draw crowds and remind people that the earth's seas are "our bathtub," the artist has said.

The duck the Canadians rented was built by a couple of Americans who charge up to US$40,000 per appearance, plus the cost of towing between sites. Ryan Whaley, one of the duck's owners, said he paid Mr. Hofman €50,000, or about US$57,000, for the duck's design in 2014. He said the plans they received were unusable so they had to design their own, arguing the duck's design has been in the public domain since the 1930s and can't be copyrighted.

"You can find that same duck design way before anyone of us was alive," said Mr. Whaley.

Mr. Hofman said he didn't receive the money and Mr. Whaley's duck violates a copyright he has filed in the U.S.

The Dutch artist said he would have welcomed the opportunity to design a more appropriate giant sculpture in honor of Canada's big day. "Canadians are really laid back," he said. "They deserved a better symbol for their 150 years."

The dispute has put the Ontario officials who signed off on the duck in the hot seat. They in turn have accused critics and opposition politicians of trying to pour cold water on the festival.

Eleanor McMahon, the province's tourism minister, argued during a recent legislature debate that the festival will prove to be a big tourism draw and generate millions for Toronto's economy, to little avail.

"My department did not fund this duck," Canadian Heritage Minister Melanie Joly told lawmakers in the federal Parliament, after being hit with queries from her political opponents about the Liberal government's role in the duck rental.

"America, I know your politics are stressful right now but we in Canada can relate," tweeted Canadian political scientist Paul Fairie. "We may have inadvertently rented a plagiarized duck."

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OPINION

THE WEEKEND INTERVIEW with Allen Guelzo | By James Taranto

Divided America Stands—Then, and Now

Philadelphia

If there's one thing Americans of all political stripes can agree on, it's that the country is divided—bitterly, dangerously, perhaps irreconcilably riven. "It shows up in very cinematic fashion, in things like the Scalise shooting," says historian Allen Guelzo. "So we jump to the conclusion: Oh my goodness, does it mean we're on the brink of civil war?"

No, answers Mr. Guelzo, director of the Civil War Era Studies Program at Gettysburg College. The Civil War was singular and is almost certain to remain so. But he does see continuities, some of them surprising, between then and now. And he thinks today's divisions are worse than those of any time in American history except the 1850s and '60s.

Today "there are a lot of unhappy personalities, and there are divisions of cultural values," Mr. Guelzo tells me over dinner at the Union League of Philadelphia, where he's been a member since 1983. That was also true when the country was young, "between Jefferson and Adams, and between Jefferson and Hamilton," and later with "all kinds of acidulous political and cultural divisions—over Masons, Catholics, John Calhoun, nullification, tariffs, Andrew Jackson. You go down the list, and it's one thing after another. But it didn't drive us to civil war."

A historian says the nation is more bitterly split than ever—with the exception of the Civil War era.

What did was the combination of slavery and secession, "and the two of them are really bound together." Both are "very absolute questions," Mr. Guelzo says. Lincoln's observation in 1858 that "this government cannot endure, permanently, half slave and half free" was born of the failure of repeated efforts at compromise—most recently the Supreme Court decision that made Chief Justice Roger Taney infamous.

"When Taney wrote *Dred Scott* in 1857, it wasn't because Taney was the most vile pro-slavery ideologue in the country," Mr. Guelzo says. "He wasn't—I mean, the man had actually emancipated his own slaves. And while he certainly wasn't friendly to abolitionists, that's not why he wrote *Dred Scott* the way he did. He did it because the situation in 1857 seemed to have demonstrated that neither the legislative branch nor the executive branch was capable of arriving at a solution for the slavery question. So who steps up into the batter's box? The judiciary—we will settle this."

But even slavery was not a sufficient condition for war. "If slavery had been legal in, let's say, Minnesota, Maine, Florida and Louisiana, there would never have been a Civil War," Mr. Guelzo says. What gave the question "political mass" was geography: Slavery had been outlawed throughout the North by the early 19th century, leaving 15 states where it was legal. "Because these slave states were all contiguous, they could look at a map and see themselves as a political unit." Eleven did in 1860-61.

"Do we have that today?" Mr. Guelzo asks. "No. I mean, you have California talking about seceding. But then again, California talks about all kinds of crazy things."

Americans on both sides look across the political divide and see crazy people espousing destructive ideas. From his historian's vantage point, Mr. Guelzo sees something deeply durable. "If you look at Democrats and Republicans since the middle of the 19th century," he says, "the political culture of the parties has not changed all that much." Their policies may be drastically different, but "that's the tip of the iceberg. What you want to look at, as far as historical continuity, is the seven-eighths of the iceberg below the water."

He pulls out a small notebook in which he has drawn a comparative chart listing seven "cultural components" of each 19th-century party. Democrats' orientation, he says, has changed in only two of them: They used to tend toward "agrarian" occupations and "patriarchal" families, both anachronisms now. Republicans, though, still favor "commercial" work and "companionate" marriage.

The other components pairs do seem continuous for both parties, as Mr. Guelzo says. Morals: Democrats, "individual"; Republicans, "collective." Economic system: Democrats, "static"; Republicans, "dynamic." Philosophy: Democrats, "Romantic"; Republicans, "Enlightenment."

This cultural taxonomy predates the GOP's founding in 1854. Mr. Guelzo credits fellow historian Daniel Walker Howe with inspiring the chart by observing, in "The Political Culture of the American Whigs" (1979), that "the Whigs proposed a society that would be economically diverse but culturally uniform; the Democrats preferred the economic uniformity of a society of small farmers and artisans but were more tolerant of cultural and moral diversity."

Two of Mr. Guelzo's components seem especially salient today. The first is political style, a cousin of philosophy: "Democrats love passion, Republicans love reason." He cites Lincoln's debates with Stephen Douglas: "With Douglas, it was always a big show, and if you listened to Douglas for five minutes, you were captured by him." By contrast, "Lincoln is as reasonable as a Vulcan with Asperger's," Mr. Guelzo says. "If you listened to him for five minutes, you weren't impressed. If you listened to him for 25 minutes, he had you, because you couldn't argue. He had done all the work."

When I observe that President Trump doesn't quite fit this mold, Mr. Guelzo acknowledges the point. "Then again," he says, "he's not been a Republican all of his life, now has he?" Mr. Guelzo's theory would explain why many conservative Republicans found it harder to stomach Mr. Trump than Mitt Romney, notwithstanding Mr. Romney's ideological heterodoxies, and why Mr. Trump had crossover appeal to traditionally Democratic voters.

ZINA SAUNDERS

The second salient component is what Mr. Guelzo calls a party's "political center." For Democrats, it is "local"; for Republicans, "national." At first glance, this seems like a discontinuity: In recent decades the GOP has been the party of states' rights, while the Democrats have sought to centralize power in Washington.

But Mr. Guelzo isn't talking about policy. His argument is that Republicans think of themselves as Americans first, whereas today Democratic localism takes the form of subnational identity politics. "A sense of belonging to an American nation is much more attenuated," he says. "Do you identify yourself as being a woman, transgender, black, Latino—you go down the list—or do you identify yourself as an American? That has actually now become an issue. This would have been unthinkable two generations ago."

It is in this regard that Mr. Guelzo thinks the divisions of the current era are the second-worst in American history: "The Civil War is really the only other time I can find where people are willing to sacrifice—completely sacrifice—national identity for local."

As an example of the decline in national solidarity, Mr. Guelzo cites Nancy Pelosi's and Harry Reid's public assertions—as leaders of congressional majorities during the later Bush administration—that the Iraq war was a failure. No political leader would have said such a thing during World War II. Even in World War I, which was much more contentious, "the United States wasn't the issue. The question was: Are we looking at a casus belli being provided by Germany?" he says. "For Pelosi and Reid, who said that while the war was in progress—to announce while things are still going on, while they're still shooting—that is simply unimaginable, and yet there they were. And they were doing it not because they really had a lot of military expertise. They were doing it to score political points."

Wasn't there a precedent in the Vietnam era? No, Mr. Guelzo says, at least not in Congress: "You didn't see Mike Mansfield"—the Senate majority leader and a critic of the war—"do that kind of thing during Vietnam."

But the Civil War era was far worse. In the 1850s, "you had brawls on the floor of the House of Representatives. One of the most precious ones was when William Barksdale from Mississippi got into a flying fistfight with a Northern representative, and one of them reached out to grab him by the hair and pulled off his wig." That was in 1858.

The story reminds me of this year's riot at Middlebury College, and that's what Mr. Guelzo has in mind. Colleges, he says, "have become the stages on which violence has been acted out." He describes today's social-justice warriors as "ideological lynch mobs" and pointedly compares them to the real thing. "The people who always wanted to silence others, always wanted to have the lynchings, were the pro-slavery people," he says. "It surprises my students, as it should, that Southern postmasters were given free rein to censor the mails coming into Southern post offices. They could take material that might be suspected of being abolitionist in nature; they were allowed to destroy it—because you didn't want a slave who might turn out to be literate to read any of that, now did you?"

But the comparison goes only so far. The violence "doesn't make things happy for us in the universities, believe me," Mr. Guelzo says. Still, "it's better than happening in Congress." Further, campus mobs are a far cry from an army, and their selection of enemies betrays a certain incoherence—one day a libertarian conservative like Charles Murray, another a leftist like Evergreen State College's Bret Weinstein.

Which brings us back to the central premise of Mr. Guelzo's assurance that America is nowhere near a civil war. "There is a lot of contention about culture; there's a lot of contention about politicians and individuals. But there's no flaming, absolute issue that draws people out of themselves—which is to say, draws them out of responsibility to each other—and pits them at each other's throats."

In the 1980s, he says, he wondered "whether abortion was going to constitute an issue like that, because there's no way you can be mildly for or mildly against—you're either for it or against it." But he concluded it probably wouldn't happen, because abortion lacked the "sectional identity" of slavery circa 1860.

Thus another counterfactual: "If you had, let's say, 21 contiguous states in the union where abortion was legal and 29 where it is illegal, then suddenly you have created a political standoff, and people will start to think in terms of us versus them, rather than the nation," he says. "You just do not have that in the atmosphere right now."

Abortion laws did vary by state before 1973, when the Supreme Court imposed a nationwide regime of legalization. But pro- and antiabortion states "hadn't begun to conceptualize themselves that way," Mr. Guelzo notes, before *Roe v. Wade* elevated the question into a national one. Today it's not hard to imagine what Mr. Guelzo's scenario of a country divided over abortion might look like—see the 2004 or 2016 election map.

When the high court effectively upheld *Roe* 25 years ago, in *Planned Parenthood v. Casey,* a three-justice plurality proclaimed that the 1973 ruling carries "rare precedential force" because it "calls the contending sides of a national controversy to end their national division by accepting a common mandate rooted in the Constitution." The three justices claimed this was something the court had done only once before "in our lifetime," in *Brown v. Board of Education*.

But it sounds very much like what Mr. Guelzo thinks Chief Justice Taney was attempting in *Dred Scott.* The question arises: Did Justices Sandra Day O'Connor, Anthony Kennedy and David Souter succeed where Taney had failed—if not in uniting the country, at least in keeping the peace?

Maybe so, Mr. Guelzo answers with a hint of reluctance: "By getting it out of the states, it's removed an opportunity for it to become that kind of sectional issue. I'm not saying that as a fan of *Roe v. Wade,* but at least we haven't gone to war over it. And given the absolutism of the issue, it had plenty of combustibility for that. Still does."

Mr. Taranto is the Journal's editorial features editor.

California's Rise and Fall, From One Gov. Brown to Another

CROSS COUNTRY
By Joel Engel

On a recent drive from the East Coast back home to California, I found myself thinking about four men. The first was President Dwight Eisenhower, who championed the notion of continental superhighways before signing, in 1956, the law that authorized the Interstate Highway System. It reflected an American passion for the open road, as symbolized in popular culture by the ad jingle "See the U.S.A. in your Chevrolet" and Jack Kerouac's novel "On the Road," written in 1951.

The second man was Wallace Libby Hardison. In 1870s Pennsylvania, he and a partner, Lyman Stewart, successfully wildcatted for oil until John D. Rockefeller put everyone like them out of business. Undaunted, the pair left for the land of opportunity—California—where ambition and industry were all a man needed to succeed. They struck oil in what is today Ventura County and founded the Union Oil Co., later known as Unocal. A few years later, Hardison and another Maine transplant, Nathan Weston Blanchard, gambled big by buying 400 acres and planting citrus. Thus was born the Limoneira Company, now one of North America's largest growers of lemons and avocados.

The third man who came to mind was Edmund G. "Pat" Brown. As governor from 1959-67, his ambition was to make California the most livable state and thereby dethrone New York as the nation's most populous. To that end, he turned the Golden State's public university system into the world's finest; built roads, bridges and other infrastructure; and constructed a water-delivery system that ensured adequate supply everywhere, from the California's agricultural center, to its coastal cities, to its deserts.

By the end of 1962—days before the governor's second inaugural—enough Americans had moved here for him to declare victory and ring a bell kicking off a 72-hour statewide celebration. "My son asked me what I hoped to accomplish as governor," Brown once said. "I told him, essentially, to make life more comfortable for people, as far as government can."

That son who'd asked him was the fourth person I thought of while driving: Jerry Brown, California's present governor. I was struck by the chasm that separated him from his father, Eisenhower and Hardison. Those three men believed government's role was to provide Americans wider opportunities to pursue individual happiness—which worked particularly well in California, where there was more liberty than infrastructure. Jerry Brown, by contrast, appears to believe that happiness is a collective notion and that the endpoint of helping "as far as government can" is visible only through the Hubble telescope.

Take his insistence that California spend unknown billions of dollars on a bullet train connecting Southern and Northern California. Every poll shows that few people intend to ride it. Why? Because taking your own car will be faster and cheaper than driving to a station, parking, riding with stops along the way, and then renting a car or hailing an Uber at your destination. And anyway, tickets to fly between L.A. and San Francisco—which the train won't even reach directly—can be had for less than $100. Why ride a rail that's routed not along the state's scenic coast (already served by Amtrak's Coast Starlight) but through its distinctly unlovely interior?

Jerry Brown is the opposite of his father, who made the Golden State the most livable in the country.

An even more utopian folly is Mr. Brown's determination to establish California as a model for climate-change politics and policy. It goes without saying that one state—or even one country—cannot reduce carbon emissions enough to benefit the climate in a meaningful way. The true consequence of the governor's ubergreen policies is to reverse his father's migration, at least for productive citizens and businesses. They're leaving California for states where energy is cheaper, taxes are lower, and the regulatory burden is lighter. Middle-aged people making $100,000 to $200,000 a year are the largest cohort of those moving out, according to researchers Joel Kotkin and Wendell Cox.

Two years ago, Mr. Brown signed a bill requiring state-regulated utilities to produce, by 2030, 50% of their electricity from renewable sources like wind and solar. Although those are highly subsidized, Californians still pay about 50% more for power than the national average. Gasoline is no better. The moment my car crossed the state line from Arizona, a gallon of gas instantly cost a dollar more, and nearly twice what I'd paid in Louisiana. The higher price can be blamed on not only taxes but the cost of refining gas to California's exacting specifications, a 25-year-old antipollution program that may well have outlived its need.

California's gas taxes were, until recently, a mere 30% higher than the nationwide average, yet its streets and highways tend to be in poor shape compared with those in other states. So in April the governor strong-armed the Legislature into raising gas taxes 12 cents a gallon and annual vehicle fees $50. The extra $5 billion a year will barely address a backlog of repairs estimated at more than $100 billion. And there's no ironclad guarantee the funds will be allocated to road improvements at all. Yet the governor dismissed his opponents as unworthy of argument. "Roads require money to fix," Mr. Brown said. "The freeloaders—I've had enough of them."

For most of human history, people spent much of their day in search of calories. Only in the past century and a half have those concerns been obviated by plentiful fossil-fuel energy that spurred new technologies and literally built California. See: W.L. Hardison. If Gov. Brown is looking for a legacy worthy of his father, he'd do well to take a page from California's history of relying on the grit and ingenuity of Californians. Left unshackled, the species that invented language, music, and single-malt scotch can overcome whatever Mother Nature is going to do anyway, notwithstanding the state's shrinking carbon footprint.

Mr. Engel is author, most recently, of "L.A. '56: A Devil in the City of Angels."

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OPINION

REVIEW & OUTLOOK

The Other Republican Health Plan

Democrats have spent most of this week accusing Republicans of trying to create a dystopia where Americans are denied basic health-care treatments. So note that the Food and Drug Administration, under new political management, took initial steps this week to lower the cost of prescription medicine for patients. You might not have noticed amid the latest Trump Twitter meltdown.

The FDA's new chief is pushing more generic drug competition.

Earlier this week FDA published a list of drugs that don't face competition from generic alternatives even though their intellectual property protections have expired. FDA said it will expedite the approval process for such applications "until there are three approved generics for a given drug product." The agency says it will take more steps and has announced a July meeting for public feedback.

For some drugs on the roster, no company has submitted a generic application. One reason is that the cost of developing a generic product can run into the millions of dollars, and many can't fetch the profit to recoup the expense. Yet competition is essential for lowering prices: Consumers pay 94% of the branded price on average when one generic firm enters the market, but that drops to 52% with two competitors and to 44% with three, according to an FDA analysis.

The savings ripple across the health-care system, and last year generics saved $253 billion, according to a June report from the Association for Accessible Medicines. Case in point are alternatives for chronic troubles like the cholesterol-reducing statin, Lipitor, which cost $3.29 a unit before its patent expired. The generic version last year cost $0.11.

One barrier to innovation is that some manufacturers are abusing FDA safety and risk mitigation regulations to protect monopoly positions. A generic competitor has to prove equivalence to the branded product to win FDA approval, and that requires extensive testing with anywhere from 1,500 to 5,000 tablets of the original treatment. But companies are invoking FDA safe-use and distribution restrictions to avoid handing over the capsules.

In 2014, Alex Brill of Matrix Global Advisors analyzed reported cases of this misuse. Delayed competition for 40 products cost $5.4 billion annually in lost savings, Mr. Brill found. About $1.8 billion of the cost is picked up by the federal government through Medicaid and other programs. This issue will no doubt capture attention at the agency's public meeting next month, and Congress could help by codifying changes as part of an agency reauthorization. Bills to rein in this behavior have been introduced.

A larger challenge for FDA is developing an approval process for "complex generics," like the allergy shot EpiPen, that require a device or present some other complication. The good news is that no scholar has devoted as much attention to the issue as new FDA Commissioner Scott Gottlieb, who has testified to Congress that the generic approval process was written when most products were molecule pills that were straightforward to recreate. Regarding EpiPen, FDA regulations helped keep a generic alternative off the market by requiring an identical device to deliver a shot of adrenaline.

This week's announcement is the beginning of a process, and other unresolved issues include that most generics are not approved on the first round, and revisions create substantial work for companies and FDA staff. The agency also has a backlog of applications and has struggled to hire enough staff to keep up with applications.

None of this will ever attract the media attention of "Pharma bro" Martin Shkreli, who jacked up the price of a treatment that faced no competition, or the periodic mugging of some drug company CEO in front of Congress. But Dr. Gottlieb has dedicated much of his career to explaining the benefits that competition can bring to medicine, and now he's bringing that experience to one of the most resistant bureaucracies in Washington.

The Albany School Sellout

Judging from the 11th-hour deal they reached giving mayor Bill de Blasio the control he wanted over New York City schools, Albany's Republicans appear as determined to discredit themselves on education reform as their counterparts in the Republican Congress seem to be on repealing ObamaCare.

The politicians all get something, but poor kids are the losers.

Last week we reported how the New York state legislature had adjourned for the year without lifting the charter-school cap that is beloved by the teachers unions. The GOP state Senate's only negotiating leverage was mayoral control. Mayor de Blasio wanted it renewed but he and Carl Heastie, Democratic speaker of the State Assembly, were adamant that it not be done in exchange for allowing more charters.

They won. This week, after Gov. Andrew Cuomo called the legislature back into special session, Albany reached a compromise. It's not being called the "big ugly" for nothing: It has something in it for every politician. Gov. Cuomo gets the new Tappan Zee Bridge named after his late father, Mario; Republicans gets some county sales tax extensions they wanted; fireman and cops get some pension sweeteners—and Democrats get mayoral control for Mr. de Blasio while successfully resisting any opening to new charters.

The losers are the nonpoliticians, especially the students who needed someone in Albany to fight for them to get a better chance for a better education. We're thinking of the 50,000 kids in New York City who are on a waiting list because there aren't enough charters to meet the demand.

Republicans control only the state Senate, and Gov. Cuomo could have made the difference if he had stood up for charters. But Mr. Cuomo is planning to run for President in 2020 and needs to mollify the unions, while the Republican Party claims to be on the side of charters, choice and education reform.

Everyone knows the Democratic Party long ago sold its soul to the unions. What Albany's "big ugly" teaches is that if Republicans don't stand up for charters, few others will.

Hong Kong's Anxious Anniversary

Xi Jinping received a red-carpet welcome when he landed in Hong Kong for this weekend's 20th anniversary of the handover to Chinese rule. But the mainland's paramount leader will receive plenty of curses too as protesters follow him around the territory. The public anger is due to Beijing's failure to honor its promises of democracy and autonomy, which is radicalizing the city's youth and making it difficult for Beijing's appointed leaders to govern.

Twenty years after the handover, China has reneged on its promises.

On the surface at least, the "one country, two systems" formula devised by Deng Xiaoping to last 50 years has worked tolerably well. Much as when it was a British colony, Hong Kong's capitalist system generates enormous wealth, the judiciary is officially independent and civil liberties are protected.

But look closer and Hong Kong's special status is slipping away. The central government's "liaison office" increasingly micromanages Hong Kong affairs. The National People's Congress has overruled key judicial decisions, and senior officials call on judges to rubber stamp executive-branch decisions. In early 2016, mainland enforcers kidnapped Lee Bo in Hong Kong and put him on trial in China after he published critics of Chinese leaders.

Young people in particular are angry that mainland power is changing their city. In the "umbrella movement" protests of 2014, students occupied the business district for 75 days but failed to convince China to allow the election of the chief executive by universal suffrage. Beijing will continue to select the city's leader through a 1,200-member committee dominated by the pro-China business elite.

It didn't have to be this way. The British could have begun a democratic process when they still ruled, as these columns advised after Margaret Thatcher's 1984 deal with Beijing. If China had offered a roadmap to full democracy in the early 2000s, when Hong Kong people were quietly signaling their desire for more say in government, Beijing could have earned respect and loyalty. Instead, in 2003 then Chief Executive Tung Chee-hwa tried to pass antisubversion laws to curtail civil liberties.

A million people turned out on the streets, kicking off a protest movement that has since waxed and waned. At each stage Beijing has responded with threats rather than compromise, adding to the rancor. The central government has created precisely the opposition it feared, as some young politicians call for independence from China.

All of this is a reminder that one important underpinning of Hong Kong's freedom was never written down: the assumption that the reforming China of the 1980s would continue to free up its economy and start a process of political reform leading eventually to democracy. Some dared to hope that the city would help Beijing learn to accept elections without preordained results.

Mr. Xi and predecessor Hu Jintao instead tightened political repression on the mainland. Chinese leaders see Hong Kong not as a democratic model but as an example to show they will deal sternly with "splittists." Veiled threats suggest that Hong Kong's new Chief Executive, Carrie Lam, will be forced to reintroduce antisubversion laws. China's foreign ministry said Friday that the Sino-British Joint Declaration on Hong Kong is now merely an "historic document that no longer has any realistic meaning."

This is a tragedy for Hong Kong, the city that Milton Friedman hailed as a model of free-market prosperity, but it is also a tragedy for mainland citizens who have hoped that Chinese prosperity would lead to greater self-government. Beijing's attempts to intimidate dissent are making Hong Kong's rising generation more insistent that democracy is needed to guarantee their freedoms. The third decade under Chinese rule looks to be even more turbulent.

LETTERS TO THE EDITOR

Bad Policy Hurts IPOs and Stock Pickers, Too

There is a larger concern from the diminishing number of public companies ("Intelligent Investor: Stock Pickers Struggle as Public Shares Shrink," page one, June 24). Several hundred million investors are investing primarily in public stock companies. With this many dollars chasing so few, valuation is guaranteed to be inflated and to get worse as the numbers become more skewed. Retirement planning is based on a different world than this. I recommend seeking private equity to balance one's portfolio, and hope for the best. This is the ugly result of overregulation. Surely the number of U.S. stock companies should be in the tens of thousands.

WILLIAM C. QUINN
Dayton, Ohio

The decline in microcap and small-cap company listings over the past 15 years is proof positive of the unintended consequences of certain regulatory compliance mandates required in the Sarbanes-Oxley Act of 2002, specifically Sections 302, 404 and 906. Collectively, these three sections require cash-challenged development-stage and emerging-growth companies to comply with the same onerous and expensive financial internal-control requirements, annual audited financial requirements and CEO and CFO certification requirements as Fortune 1000 companies. Such compliance costs are too onerous for companies to incur in advance of an IPO when they could otherwise deploy capital for research and development to improve their product or service offering.

Sarbanes-Oxley has become an anchor on economic growth and a drag on employment. Without question the act has improved shareholder rights by increasing transparency and accountability, but it discourages companies from accessing public equity markets. Meanwhile, many microcap and small-cap companies have delisted to avoid the continued onerous and disproportional cost of being publicly traded. In its rush to address the fallout from the WorldCom, Enron and Tyco accounting scandals, Congress created a mostly one-size-fits-all policy that has harmed the economy, rather than boost it.

SCOTT UHL
Southlake, Texas

Decline of the U.S. Military Precedes Obama

In "Congress and Obama Depleted the Military" (op-ed, June 21), Dick Cheney and Liz Cheney neglect to include vital information. There is no discussion or acknowledgment of the impact that the longest wars in U.S. history (that began on Mr. Cheney's watch) have had on that depletion. Further, that depletion was made worse by fighting two major conflicts, one of which was a discretionary war, as well as responding to other threats such as North Korea. Let us also not forget the impact of stop-loss (aka the backdoor draft) on retention and readiness as well as PTSD and TBI (traumatic brain injuries). If the trillions spent on Iraq had been invested in new ships, aircraft, spare parts, munitions, training and personnel, our armed forces would be in tiptop shape today.

The headline should read: "The Bush Administration Started the Depletion; Congress and Obama Finished the Job."

GEORGE HARRIS
Atlanta

Mr. Cheney and his daughter make a compelling argument for increasing spending throughout our military to help offset the world's rising dangers. However, as a conservative who prefers his bills paid for, I am perplexed how they can ignore any mention of how this will be funded. Republicans cannot continue to talk about tax cuts and increased military spending without offering a blueprint for where the money will come from. Some of us conservatives view our debt as a real security threat. And why stop with defense? We should build more bridges and cure cancer too while we're at it. The trillion dollars Mr. Cheney spent in Iraq and Afghanistan would have made a nice down payment on his proposed wish list.

JOHN A. GRUBER
Itasca, Ill.

Congress has abdicated its authority in not updating the 2001 authorization to use military force, an authorization that has been grotesquely stretched far beyond its original intent. Absent a real crisis, the chances of Congress approving the necessary defense funding to sustain the current force are nil. The grim conclusion is that unless dramatic change in strategy, employment or funding occurs, the nation is headed to a hollow force reminiscent of what followed the Vietnam War.

This is the point the Cheneys and others must make, and demand that the government addresses defense in a more serious manner.

HARLAN ULLMAN
Washington

Slant on Speech and Trademark Registration

Regarding your editorial "Victory for The Slants" (June 20): In ruling the Lanham Act unconstitutional (*Matal v. Tam*), the Supreme Court, via Justice Samuel Alito's clear statement that "speech may not be banned on the ground that it expresses ideas that offend," might have been ruling on the suppression of speech at our universities. It appears that university presidents and their boards believe it is within their power to punish (or not) those who not only destroy property but who threaten violence on speakers with whom they disagree. Universities are not sanctuaries from the law. It is time for local authorities to step in, monitor and film the criminals who violate these rights and then punish them to the full extent of the law. If the local authorities refuse to act, then state or federal law enforcement should. It took the National Guard to desegregate some southern schools. If that's what it takes to restore free speech to the campus, so be it.

JIM BARBER
Mesa, Ariz.

Your editorial commends the Supreme Court's record on the First Amendment. While I celebrate the victory for free speech, I see it as a dangerous precedent limiting the federal government's ability to regulate commerce.

Simon Tam and The Slants can use as many offensive chants and taboo lyrics in their concerts as they please; they can even use their band name as an unregistered trademark (which is also protected against infringement under federal commerce laws). However, it should be the prerogative of the federal government to approve or deny the registration of a trademark.

ANDREW N. CHEN
Washington

Better Fed Monetary Policy Would Beat Surprise Moves

Sebastian Mallaby's "The Fed Should Surprise Us" (Review, June 24) correctly diagnoses that the Fed's approach to monetary policy runs the risk of sowing the seeds of a financial crisis. However, his recommendation that the Fed should reserve "the option of deliberately ambushing investors with a shock move" misdiagnoses the reason for the problem. The problem isn't transparency. However, the Fed should be transparent if, and only if, transparency increases the efficacy of monetary policy. Nor is it the Fed's don't-upset-the-markets approach to implementing its monetary policy. The problem is the Fed's monetary policy.

What's needed is a Fed that recognizes that the excessively easy policy it has pursued during the past decade is contributing to the concerns that Mr. Mallaby and many others have noted. This won't happen until there is a new Fed chairman, and perhaps not even then. However, should such a change in monetary policy philosophy occur, it will certainly be a surprise. But nothing is gained by deliberately ambushing investors. Such a change should be announced and implemented in a way that will minimize adverse market reaction.

DAN THORNTON
Valley Park, Mo.

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Pepper ... And Salt

THE WALL STREET JOURNAL

"Fresh pepper spray?"

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OPINION

On Health Care, a Promise, Not a Threat

DECLARATIONS
By Peggy Noonan

We are coming up on a great American holiday. There will be fireworks and children frolicking in pools; there will be baseball games, cookouts and flags. America will be looking and acting like America. So this is no time for gloom.

This moment in fact may be, perversely, promising. The failure so far of Senate Republicans to agree on a health-care bill provides an opening. Whatever happens the next few days, moderates and centrists on both sides can and should rise, name themselves, and start storming through.

McConnell warns GOP senators they may end up having to work with the Democrats. They should.

The difficulties the Republicans have faced were inevitable. They are divided; they don't have the will or the base. The party is undergoing a populist realignment, with party donors, think-tankers and ideologues seeing things more or less one way, and the Trump base, including many Democrats, seeing them another. The long-stable ground under Republican senators has been shifting, and they're not sure where or how to stand. The president, philosophically unmoored and operating without a firm grasp of the legislation he promotes, is little help. He has impulses and sentiments but is not, as the French used to say, a serious man. He just wants a deal and a win, and there's something almost refreshing in this, in the lack of tangled and complicated personal and political motives. It makes so much possible.

Many Republican senators see that the American people are not in the mood for tax cuts to the comfortable and coverage limits on the distressed. Democratic senators, on the other hand, are increasingly aware that ObamaCare is not viable, and in some respects is on the verge of collapse.

This gives both parties motives to join together and make things better.

Republicans believe they must repeal ObamaCare because they've long promised to do so. Keeping promises, especially in our untrusting political climate, is a good thing. But polling suggests America isn't eager that promise be wholly kept. The Senate's repeal-and-replace bill is deeply underwater in most polls, barely above water even with Republicans. If you campaign promising mayonnaise but once you're in office voters start saying they prefer mustard, Politics 101 says, at least for now, hold the mayo.

Here again is our big wish: that both parties join together and produce a fix. It would no doubt be ungainly and imperfect, but it would be better than the failing thing we have. And Americans, being practical, will settle, for now, for better.

The GOP's donor class would likely hate the eventual bill, as the Democratic Party's nihilist left, which wants no compromise, would hate it. But their opposition would suggest to everyone else the bill must be pretty good.

There is the beginning of a movement in the Senate for a bipartisan approach. Republican Susan Collins of Maine has it exactly right: Asked if she thinks it necessary for both parties to work together, she said: "That's what we should have done from the beginning." Republican Shelley Moore Capito of West Virginia said on Fox News Wednesday night: "I'm ready to roll up my sleeves and work with the Democrats." Republican Ron Johnson of Wisconsin says it's a 'mistake' to attempt a partisan fix. Democrat Joe Manchin, also of West Virginia, says he's "ready" for a bipartisan effort. The New York Times reports senators from both parties met privately weeks ago to discuss core issues. Mr. Manchin was there along with Democrats Joe Donnelly of Indiana and Heidi Heitkamp of North Dakota. Among the Republicans were Sens. Capito and Collins, Bill Cassidy of Louisiana and Lindsey Graham of South Carolina.

That's a good start.

Majority Leader Mitch McConnell, disappointed in the GOP failure earlier in the week to get to yes, told his own members, in front of the press, that if they can't get it together, they'll have to work with the Democrats. It sounded like a threat, not an invitation; he seemed to be saying Republican voters wouldn't like it. Many wouldn't, but the polling suggests many would.

This column respects history and tradition. I've banged away on the fact that any big legislative change that affects how America lives, especially on something so intimate and immediate as health care, *has* to receive support from both parties or it will never work.

GETTY IMAGES/QC ROLL CALL

Sens. Joe Manchin (D., W.Va.) and Susan Collins (R., Maine).

Franklin D. Roosevelt, in creating Social Security in 1935, knew he had to get Republicans behind it and owning it, or America would see it as a Democratic project, not an American institution. In the end he persuaded 81 Republicans to join 284 Democrats in the House. So too with the creation of Medicare in 1965: Lyndon Johnson wrestled and cajoled Republicans and got a majority of their votes.

Every president until Barack Obama knew this. He bullied through ObamaCare with no Republican support, and he did it devilishly, too, in that he created a bill so deal-laden, so intricate, so embedding-of-its-tentacles into the insurance and health systems, that it would be almost impossible to undo. He was maximalist. His party got a maximal black eye, losing the House and eventually the Senate over the bill, which also contributed to its loss of the presidency.

Is it fair that both parties must fix a problem created by one party? No. But it would be wise and would work.

Here is a thing that would help: a little humility from the Democrats, and a little humanity.

It would be powerful if a Democratic senator would go on the Sunday shows this weekend and say something like this: "Republicans have proved they can't make progress. They're failing in their efforts, and I'm not sad about it, because their bill is a bad one. But I'm not going to lie to you, ObamaCare has big flaws—always did. It was an imperfect piece of legislation and it's done some things my party said wouldn't happen, such as lost coverage and hiked deductibles. The American people know this because they live with it. The answer is to do what we should have done in the past, and that is joining with Republicans to hammer out changes that will make things better, that we all can live with, at least for now. We'll make it better only by working together. I'm asking to work with them."

That person would be a hero in the Beltway, which prizes compromise and constructiveness, and admired outside it. "My God, it isn't all just partisan for her."

The Democratic Party made this mess. It's on them to help dig out of it. If they show some humility, Republicans would look pretty poor in not responding with their own olive branch.

Show some class, help the country. When it's over, use whatever words you want: "We forced Democrats to admit the bill was flawed and dying." "We forced Republicans to back down." America won't mind the propaganda, they're used to it. Just make a bad thing better.

Don't give what you produce a grandiose name. Call it the Health Reform Act of 2017. There will be more. Wait till we're debating single payer in 2020.

But move now. Do the work, break Capitol Hill out of its shirts-and-skins stasis. Solve this thing.

A happy 241st anniversary to America, the great and fabled nation that is still, this day, the hope of the world.

At 150, Canada Is 'Cool' but Can Aspire to Something More

By Michael Taube

The U.S. isn't the only North American nation busy celebrating its birthday. On July 1, 1867, the British North America Act took effect, establishing the Dominion of Canada. Today, my country has the world's second-largest land mass, its 10th-largest economy, and consistently high rankings in economic freedom and quality of life. But while Canada often punches above its weight, there's always been some frustration that it doesn't hold the title belt.

If only we could establish the proper break between progressive values and progressive politics.

"Canada has been modest in its history," Prime Minister Sir Wilfrid Laurier said in 1904, "but its history, in my estimation, is only commencing. . . . The 19th century was the century of the United States. I think we can claim that it is Canada that shall fill the 20th century." Laurier was too optimistic: The 20th century also belonged to the U.S., and unless Donald Trump changes things dramatically, the 21st probably will, too.

Fair enough. America became a global superpower, Canada a traditional middle power with more influence than most. Together, our two countries formed a political friendship and economic alliance that has stood the test of time, and we have more similarities than most care to admit.

Yet our histories are exceedingly different. Canada wasn't born out of revolution and a desire to escape the shackles of monarchy. Canadians firmly believed in liberty and freedom, and still do, but never wanted a republic. Rather, we usually view our former colonial status as New France, and later British North America, in a respectful manner as a stage in our development.

There have been occasional flare-ups, and fierce constitutional battles, between French-speaking Quebec and English-speaking Canada. These have led to terrorism, but not all-out civil war, and Quebec's separatism has been drowned out in recent decades.

Meanwhile, Canada remains an independent country within the Commonwealth. The British Parliament was involved, directly and indirectly, in any changes to the Canadian Constitution until the Canada Act in 1982 ended that requirement. While Canada's history of responsible government goes back to 1848, it started using the Westminster model of representative democracy only in 1931.

But Canada never slavishly followed its early territorial masters. The country always had an independent spirit and developed its own ideas and policies. Early prime ministers, such as Sir John A. Macdonald (Conservative) and Laurier (Liberal), worked to ensure that Canada had a seat and voice at the bargaining table.

Canadians fought valiantly alongside the U.S. and other allies during the two world wars and Korea. True, the U.S. and Canada also fought each other in the War of 1812, but we needn't belabor that one.

What can Canadians do differently to ensure that this century, or any century, belongs to us, too? A fine start would be to establish a proper break between progressive values and progressive politics.

Canada has leaned left for most of its existence. It's more comfortable as a nanny state than a free-market champion. It prefers to jaw-jaw rather than war-war. It takes pride in leading the way, helping to shift popular opinion, on legal marijuana and same-sex marriage.

This "certain boldness in social matters," the Economist observed in 2003, meant that "a cautious case can be made that Canada is now rather cool." While progressive Canadians cheered this analysis, they must have been disappointed when the same magazine wrote a decade later that Conservative Prime Minister Stephen Harper had made their country "decidedly uncool."

Mr. Harper's government concentrated on supposedly lame things like lower taxes, smaller government, fiscal responsibility, trade liberalization, muscular foreign policy and stronger relations with the U.S. It earned respect for prudently handling the global economic crisis and for leaving the foreign-policy kiddie table to take a leadership role in world affairs.

Canadian voters could handle this radical political change only for so long, however. They abandoned the Tory ship and gave the Liberals a mandate in 2015. Suddenly we were cool again. Justin Trudeau, our young, hip prime minister, has gradually reversed many of Mr. Harper's policy gains. He has returned Canada to its traditional role abroad as a peacekeeper, renewed his supporters' faith in social liberalism, and become the king of selfies.

For the next 150 years and beyond, my hope is that Canada will reflect on its longstanding core principles, question them, and make the necessary improvements. That would mean reducing our state-centric approach to government, increasing the influence of free markets, and ensuring that individual rights and freedoms are properly defended and upheld by the constitution.

Maybe then Barack Obama's statement to the Canadian Parliament last year—"the world needs more Canada"—would be more than just a friendly sentiment. It would be closer to the world Laurier envisioned more than a century ago, and a nice birthday gift to boot.

Mr. Taube, a Troy Media syndicated columnist and political commentator, was a speechwriter for Prime Minister Stephen Harper.

Seattle Aims at McDonald's, Hits Workers

BUSINESS WORLD
By Holman W. Jenkins, Jr.

By now you have read 15 articles on the Seattle minimum-wage fiasco. Since the city boosted its local minimum from $9.47 in 2014 to $13 last year (on its way to $15), a detailed investigation by University of Washington economists finds that beneficiaries actually saw their incomes fall by a net $125 a month because employers cut their hours.

When the price of something goes up, buyers demand less of it. This law of economics, like any kind of law, some find inconvenient. But here's the rest of the story.

The impetus came from people who don't actually earn the minimum wage—labor-union leaders and think-tankers and activist organizations. The Service Employees International Union, as it has been happy to tell anyone, including a writer for the Atlantic Monthly two years ago, was already plowing $30 million into the "fight for $15" even though virtually all the hoped-for benefits would go to nonmembers.

There was even pushback from various union locals. Was this really a good use of our dues when most members already earn well above the minimum and have other priorities?

As the union also was not shy about noting, the real target was a very specific company, McDonald's, which SEIU dreams of organizing despite the historically unwelcoming nature of franchise-based industries.

How a $15 minimum leads toward this halcyon day was never exactly spelled out, but here's the answer: $15 would be used to change the basic labor-market bargain implied between the fast-food industry and its workers. Fifteen dollars an hour amounts to $31,200 a year and hardly a princely living. But you start adding mandated benefits and think about two-income households, and now you're talking about a job that will sustain a different kind of life strategy than a Golden Arches job will today.

Organizers look fondly to Denmark, where a McDonald's line worker receives $41,000 a year and five weeks of paid vacation. As the Atlantic put it two years ago, "Unionizing workers at McDonald's and other fast-food chains might be a long shot, but if it succeeds, it might help lift a million or more workers into the middle class (or at least into the lower middle class) and create a model for low-wage workers in other industries."

This sounds pretty but is misleading in a fundamental way. The workers a McDonald's franchise would hire at $15 an hour are *different* from those it would hire at $8.29, the average earned by a fast-food worker today.

Costs would go up. The industry would likely shrink, it would likely replace workers with automation, but it would still create jobs at $15 an hour for people whose productivity can justify $15 an hour. The people who work at McDonald's today, typically, would already be earning $15 an hour somewhere else if their productivity could justify $15 an hour.

Everybody needs to start somewhere, including the unskilled and those who lack a work history. Some need a job that doesn't demand much of them. They have other obligations. They accept less pay to maximize flexibility and freedom from responsibility. They don't plan to make a career of it. The fast-food industry in America is built on such people.

Proponents like to argue that employers, especially in the fast-food business, actually benefit from an increased minimum. It enables them to attract a more dedicated, productive employee. But why shouldn't employers be left to make this trade-off themselves? And what about the people who won't get hired at $15 and lose the benefit of a fast-food opportunity that is one of the easiest, quickest jobs to land in America?

When President Obama joined the fight in 2015, he argued that a full-time job should be able to support a family. This sounded pretty too, but was a way of saying that jobs that won't support a family shouldn't exist, and people whose productivity won't support a family shouldn't have jobs.

This is curious. Many countries that set a minimum wage, including the U.S., also set subminimum wages for teenagers, trainees, probationary hires, certain categories of disabled persons, etc. Having both a minimum and subminimum is hard to reconcile logically: Low-paying jobs shouldn't exist, except some people need low-paying jobs, so they should exist. This concession to reality, in fact, shows not all minimum-wage advocates are economic scofflaws.

SEIU signed off on the "fight for $15" as part of a convoluted scheme to bring unionization to McDonald's. As all would admit privately, the idea was always pie in the sky. But union leaders have to spend their members' dues on something, or members might get the idea they don't need to keep paying dues.

Now SEIU's spending priorities have been changing again. Lately the leadership has arguably rediscovered its first love, electoral politics, not organizing. The union has let it be known that the "fight for $15" will be scaled back to free up funds to fight the 2018 congressional elections and 2020 presidential race. No doubt the Seattle study and all the attention it's getting in the media make the decision even easier.

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SPORTS

TOUR DE FRANCE | By Jason Gay

Paul & Phil: Tour's Everlasting Pair

Every July, I invite a pair of polite English gentlemen into my home, where they stay for three weeks, and talk soothingly to me almost every morning about the sport of cycling, France, and on occasion, farm animals in the countryside.

One's named Phil Liggett. The other's Paul Sherwen.

But everyone knows them as Paul & Phil. Or Phil & Paul, if you prefer.

For more than three decades, the two Brits have been calling the Tour de France and other races for television audiences in the U.S. (on NBC Sports Network) and around the world. When the 104th edition of the Tour kicks off on Saturday, July 1, it will be Liggett's 45th in a row without interruption. For Sherwen, it will be his 39th—he missed one in 1983. But seven of those 39 Tours Sherwen started as a pro racer, so there's that.

There's no tandem quite like Paul & Phil in sports TV, especially in the U.S., where even the best commentators stick closely to the action. By contrast, Liggett and Sherwen are on the air live for three weeks straight, for several hours per day, and while there's excitement, there's plenty of tedium, too. So in addition to the race leaders, Paul & Phil might take a moment to discuss a castle, a church, herd of cows, or the abundant gorgeousness of the French countryside. (Imagine Al Michaels and Cris Collinsworth talking lyrically and knowledgeably about the flora and fauna in the Meadowlands, and you get the idea.)

Meanwhile, the Tour TV audience ranges from legit racers (who may know everything) to weekend warriors (who think they know everything) to newcomers who are watching their first bike race, ever.

"It's amazing the number of people who come up to us who are not cyclists, and really enjoy the Tour de France," says Sherwen. "It's almost like a soap. It's something people get hooked onto."

Cycling has endured plenty of crises along with its high points, and Liggett and Sherwen have carried on through it all. They have their critics, including those who feel they've been too cozy and too soft on drug scandalized competitors like Lance Armstrong. Among certain cycling crowds, it is cool to say you don't tune to Paul & Phil anymore.

Phil Liggett, left, and Paul Sherwen have both covered the Tour de France for more than three decades.

But their place is undeniable. Liggett and Sherwen are an institution. For many, the mellifluous melody and harmony of Paul & Phil is the soundtrack of cycling.

"People will come up and say, 'You've been commentating since my son was 11 years of age—he's now 51,'" says Liggett. "I'll go, 'Thanks a lot. I feel great now.'"

Over the years, some of Liggett and Sherwen's poetic commentary have become part of the sport's vernacular, catchphrases used by recreational riders out on weekend spins. Some of Liggett's most famous "Liggetisms" include:

"He's dancing on the pedals!" (When a cyclist is riding almost effortlessly.)

"He's digging deep into his suitcase of courage!" (When a rider is showing great effort, especially in the mountains.)

"The elastic is about to snap!" (When riders are on the verge of being torn apart by a difficult section.)

Liggett and Sherwen were first paired in 1986—before that, Liggett's partners included John Tesh, the musician and former host of Entertainment Tonight. They've worked together for so long, they joke they're like an old married couple. ("We'd have made a perfect man and wife, really, but that wasn't to be," says Liggett.) Both men hail from northwest England—Liggett a young racer who migrated into sports journalism; Sherwen a professional who raced with teams including Raleigh—and they share a droll sense of humor. "People from the northwest, and especially Liverpool, have a very quick humor," says Sherwen. "It's something that probably brought us together quite quickly." They each keep homes in Africa (Sherwen resides in Kampala, Uganda; Liggett is primarily in the U.K. but also has a home not far from South Africa's Kruger National Park). When they're not calling races, they're often advocating for environmental and animal causes, like rhinoceros preservation.

> For many, Paul & Phil are the relaxing soundtrack for cycling's big race.

During the Tour, Paul & Phil are basically together for all of their waking hours. The race is an endurance grind even for journalists; there are long, winding drives between stages almost every night. Proud Brits, Paul & Phil drive a car with the steering wheel on the right side, even if the French road system is in the opposite orientation. (Paul actually does all of the driving; pre-GPS, Phil navigated with a stack of maps.) In 1992, they were among a handful of Tour journalists who lost their cars in an explosion police attributed to an incendiary device they suspected was placed by Basque separatists.

"Phil was quite happy, because my CD collection got blown up," says Sherwen.

That long nighttime drive serves as Paul & Phil's preproduction meeting for the next day's stage. Perhaps unbeknownst to them, it's also a race itself.

Christian Vande Velde, an American rider who now partners with them in the booth, says that he and his fellow NBC colleague Bob Roll's only goal through the Tour is to beat Paul and Phil on the drive to the hotel.

"It fills us with everlasting joy," Vande Velde says. "There's nothing like flipping the elders the bird as you fly by them at 180 kilometers per hour."

By the time Paul & Phil pull in, the hotel restaurant is almost always closed for the night. "If they leave us out a cold plate of food, brilliant," says Liggett. "And a bottle of wine, in my case." (Phil likes a good French red, plus Montrachets and Sancerres.) When the sun rises, Phil will knock on Paul's door for a morning cup. "He makes the coffee," he says, "because he brings it from Uganda."

Jens Voigt, the retired racer from Germany who is now part of NBC's team, marvels at the stamina of Paul & Phil. "When I turn over to the other side of the bed and fall asleep again, they're already up," says a man who not long ago held cycling's hour record.

Voigt, who is wildly popular with American cycling fans, attributes much of his cycling notoriety to the way Liggett and Sherwen would rhapsodize about his efforts during races. During his career, Voigt was known as a daring breakaway artist who would often launch valiant if doomed attacks. He quickly became a Paul & Phil favorite.

"I believe half of my popularity is thanks to them," says Voigt.

A particular challenge to televising a bike race is that the commentators are almost never in the same location as the race itself. While the peloton is snaking through the Alps, Liggett and Sherwen will be in a booth at the finish line—they won't see the riders in person until the end. Instead, they're calling the action off a video feed they can't control. It requires dexterity—as Liggett speaks, the French-speaking Sherwen will monitor the official race radio. There are invariably technical difficulties and confusion, riders who get misidentified and so on—but it's impressive how generally seamless a duo they are.

"I can't think of a more difficult sport to call minute-by-minute than a bicycle race," says David Michaels, a coordinating producer for the NBC Sports Group who oversees Tour coverage. His NBC producing colleague, Joel Felicio, says Paul & Phil are recognized everywhere on the route: "They're rock stars."

By now, of course, much of cycling's history has been rewritten by scandal. Many of the champions Paul & Phil once hailed on live TV were later exposed for doping, none bigger than Armstrong. Liggett describes this as cycling's "dark period," but says he won't totally decry Armstrong, maintaining that drugs were rife during the period, and pointing out that none of Armstrong's stripped Tour yellow jerseys have been awarded to a runner-up. He still sounds torn between the image of Armstrong the champion—an image TV helped burnish—and the Armstrong since humbled by a fall from grace.

"I presented him with many awards, and I saw how people idolized him," Liggett says. "Some feel cheated, for sure."

While they believe it's cleaned up a lot, Paul & Phil sound conflicted about bike racing today. They're thrilled by the Slovak world champion Peter Sagan, calling him a throwback to the charismatic, impulsive riding style of legend Eddy Merckx. They're less enthused by the rise of data-driven strategy in races like the Tour, where riders will rely on-board numbers like wattage (which measures how much effort a rider is putting out) to plan their attacks and responses. "A lot of the guys nowadays are very much like metronomes, or robots," says Sherwen.

"For me, I can't get any excitement at all in knowing this guy can pump 600 watts," says Liggett. "It doesn't mean a thing to me. I just want to see him win this race, and use his heart and his courage to do it."

Then again, cycling is cycling, and crazy always happens, as it did last year, when eventual race winner Chris Froome crashed his bike and wound up trying to run up the mountain to a stage finish in a madcap scene that resembled a Will Ferrell movie.

"That's why the Tour is such a special thing," says Sherwen. "It's not sterile, and it's not in a stadium, or a tennis court. You're always likely to get something strange. Froome running up Mont Ventoux with his cycling shoes on — neither of us had seen that before."

A new Tour de France is here, and crazy is bound to occur in the coming weeks. That's why I watch. If not, there's always the beautiful French countryside, those castles, those churches, those farm animals, and, as always, Paul & Phil.

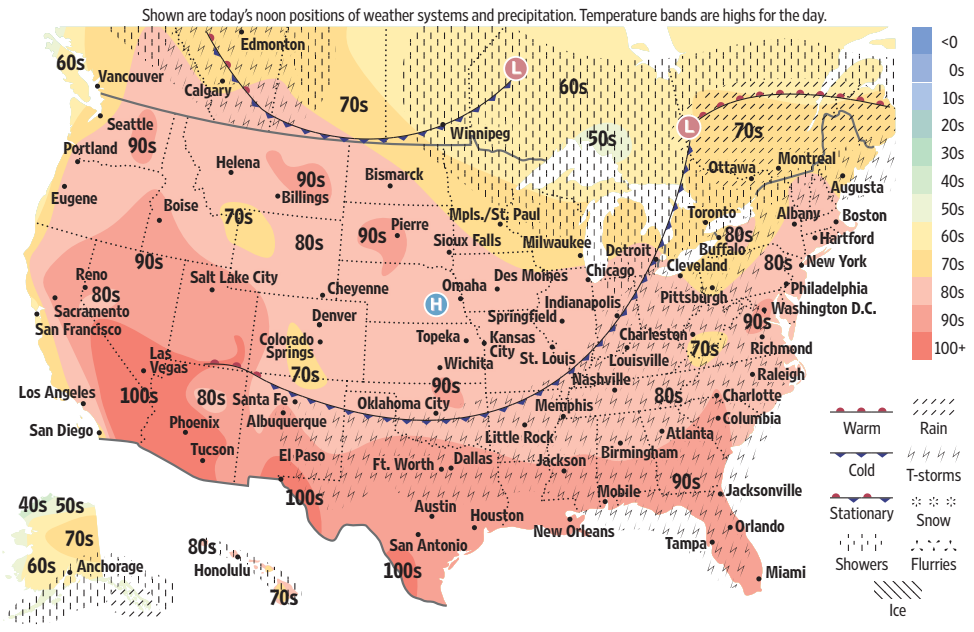
(T-B) DOUG PENSINGER/GETTY IMAGES; BERNARD PAPON/AGENCE FRANCE-PRESSE/GETTY IMAGES

During last year's Tour, Chris Froome crashed his bike and wound up trying to run up the mountain.

Weather

AccuWeather.com

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

	Today			Tomorrow		
City	Hi	Lo	W	Hi	Lo	W
Anchorage	63	52	c	59	52	r
Atlanta	87	73	t	88	73	t
Austin	98	76	pc	98	75	pc
Baltimore	90	70	t	91	69	pc
Boise	95	63	pc	93	62	s
Boston	84	70	pc	88	69	pc
Burlington	81	68	t	83	65	t
Charlotte	90	71	pc	91	69	pc
Chicago	81	60	pc	86	64	pc
Cleveland	83	65	sh	84	67	pc
Dallas	95	78	t	97	79	t
Denver	86	57	pc	91	61	t
Detroit	82	63	pc	84	62	s
Honolulu	85	76	sh	86	75	sh
Houston	95	76	pc	95	76	pc
Indianapolis	82	62	pc	84	64	s
Kansas City	83	64	s	85	67	pc
Las Vegas	111	82	s	106	81	s
Little Rock	84	71	t	87	73	t
Los Angeles	80	63	pc	79	61	pc
Miami	91	80	pc	90	80	t
Milwaukee	78	61	pc	83	63	t
Minneapolis	78	62	pc	80	60	pc
Nashville	85	69	t	90	69	t
New Orleans	90	75	pc	90	75	s
New York City	84	73	t	87	72	pc
Oklahoma City	87	69	r	89	75	t
Omaha	86	67	s	91	67	pc
Orlando	90	74	t	90	73	t
Philadelphia	87	73	t	91	72	pc
Phoenix	111	83	s	109	86	s
Pittsburgh	79	63	t	83	64	pc
Portland, Maine	78	65	t	85	63	t
Portland, Ore.	80	57	pc	83	58	s
Sacramento	93	60	s	93	59	s
St. Louis	88	69	pc	93	72	pc
Salt Lake City	95	71	pc	99	69	s
San Francisco	69	56	pc	71	56	pc
Santa Fe	86	57	t	91	56	pc
Seattle	75	56	pc	79	58	pc
Sioux Falls	83	58	pc	82	61	pc
Wash., D.C.	91	76	t	92	75	pc

International

	Today			Tomorrow		
City	Hi	Lo	W	Hi	Lo	W
Amsterdam	68	55	c	67	52	c
Athens	103	83	s	104	80	s
Baghdad	116	84	s	118	84	s
Bangkok	94	79	t	94	79	t
Beijing	97	74	pc	96	74	s
Berlin	62	55	sh	67	53	pc
Brussels	66	54	c	68	54	pc
Buenos Aires	60	45	s	62	49	s
Dubai	109	89	s	109	90	s
Dublin	66	49	pc	65	52	pc
Edinburgh	64	50	t	62	50	pc
Frankfurt	68	57	sh	75	59	pc
Geneva	68	54	sh	72	57	pc
Havana	91	73	pc	91	74	pc
Hong Kong	91	83	sh	89	83	t
Istanbul	94	76	s	92	75	s
Jakarta	89	76	s	88	74	t
Jerusalem	91	70	s	94	70	s
Johannesburg	67	37	s	67	43	s
London	74	58	pc	72	57	pc
Madrid	77	55	s	87	60	s
Manila	93	78	t	91	79	t
Melbourne	56	41	s	57	46	s
Mexico City	71	57	t	71	56	t
Milan	79	58	pc	84	62	pc
Moscow	75	58	r	72	58	t
Mumbai	86	79	r	85	77	r
Paris	67	55	pc	73	59	pc
Rio de Janeiro	76	66	sh	71	63	r
Riyadh	112	84	s	114	89	s
Rome	81	62	s	81	65	s
San Juan	88	79	pc	87	78	s
Seoul	84	73	r	79	73	r
Shanghai	90	79	t	89	78	t
Singapore	88	79	c	87	77	t
Sydney	59	45	s	63	47	s
Taipei	92	79	t	91	78	t
Tokyo	82	75	r	87	77	c
Toronto	76	58	sh	79	58	pc
Vancouver	70	55	s	71	55	pc
Warsaw	75	56	pc	68	54	sh
Zurich	69	55	sh	71	57	pc

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SCOTT BARBOUR/GETTY IMAGES

'Spider-Man: Homecoming' is set to open July 7. Marvel Studios oversaw the movie's production while Sony picked up the tab.

Rivals Join to Spin Gold

Disney's Marvel and Sony Pictures team up for 'Spider-Man' film that looks to be a hit

By Ben Fritz

"Spider-Man: Homecoming" brings two of Hollywood's biggest competitors together in an unprecedented partnership that one company hopes will revive its movie business and the other sees serving as a two-hour promotion for its toys.

Sony Pictures Entertainment paid for the $175 million production of the movie, including the writing, shooting, and editing, but the entire process was managed by **Walt Disney** Co.'s Marvel Studios.

Sony will keep all of the profits "Homecoming" generates following its release on July 7. Disney controls all merchandise rights to the character and is betting that a hit movie will have millions more Spider-Man toys and bed sheets flying off shelves.

"It's an unusual thing for two companies that are so competitive, but it's better for each to have a Spider-Man movie that really works," said Amy Pascal, a producer of "Homecoming" and former head of Sony Corp.'s motion picture business who helped arrange the unlikely partnership.

The Spider-Man franchise has had dual masters since 1999, when Sony bought big-screen rights to the character from Marvel, then an independent company. The deal gave the comic-book publisher 5% of film revenue and called for the two companies to split revenue from related Spider-Man merchandise.

The first movie Sony made under the arrangement, 2002's "Spider-Man," was a massive hit, grossing $822 million world-wide, as were the 2004 and 2007 sequels. But ticket sales declined for a poorly received 2012 reboot, "The Amazing Spider-Man," and its sequel, which grossed a weak $709 million in 2014.

In a 2011 renegotiation designed to resolve years of behind-the-scenes legal disputes and provide Sony with much-needed cash, the Japanese company gave up its share of merchandise rights while Marvel, Disney-owned by that time, agreed to forgo its 5% of film revenue and make a one-time payment of $175 million and pay up to $35 million for each future film.

Now that it kept all the profit from Spider-Man merchandise, Disney cared more deeply about that business, which declined as the movies

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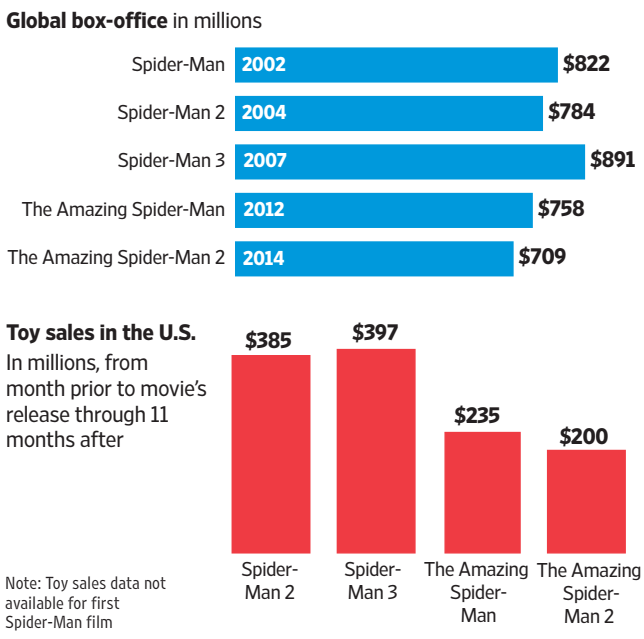
Fraying Web

The Spider-Man franchise is getting a reboot after recent releases flopped and sales of toys fell sharply.



U.S. Tech Giants Meet Their Match In EU Regulators

A deep cultural divide between the U.S. and Europe in their approaches to Silicon Valley has thrust European officials into the role of global tech-industry cops.

By Sam Schechner in Paris and Natalia Drozdiak in Brussels

The result is that many of the most heated battles over whether or how regulators should protect car makers, news organizations and other industries from the disruptive effects of tech giants are playing out first in Brussels, Paris and Berlin instead of Washington or San Francisco.

Just Friday, Germany approved new legislation imposing €50 million fines on social-media companies that fail to quickly remove hate speech and terrorist content—over strident opposition from **Facebook** Inc. and other tech companies, which advocate self-regulation to tackle those problems. That step followed the €2.42 billion ($2.76 billion) fine that the European Union's executive arm levied in the past week against **Alphabet** Inc.'s **Google** for abusing its dominance as a search engine.

These decisions have significant implications for the companies in Europe, one of their most important markets with its 500 million consumers. The rulings also influence regulators, courts and officials globally. South Korea's antitrust chief recently told the Yonhap News agency he will examine how to curb the market clout of Google and Facebook.

Google said it "respectfully disagrees" with the EU decision and will consider an appeal, and didn't respond to requests for comment on South Korea's plans. Facebook declined to comment.

Some of these issues are coming to a head in the U.S., too, though at a slower place. American policy makers in some cases are rethinking policies that were designed to nurture the tech industry in its early days, now that these companies are touching every sector of the economy.

The firms also are coming to terms with the loss of an ally in the White House in former President Barack Obama. When Republicans took charge, GOP lawmakers set out to roll back several Obama-era policies that favored tech companies. That included, for example, the "net neutrality" rules that prevented broadband providers from prioritizing certain internet content.

Up to now, though, the U.S. generally has favored a lighter approach, driven partly by

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EMMANUEL DUNAND/AGENCE FRANCE-PRESSE/GETTY IMAGES

Margrethe Vestager, the EU's competition commissioner, discussing the antitrust case against Google in Brussels on Tuesday.

THE INTELLIGENT INVESTOR
By Jason Zweig

On Review, Don't Sweat Small Stuff

How much should you care about the decline in the number of publicly traded companies?

The number of stocks has halved over the past two decades, to fewer than 3,600 from nearly 7,400, with most of the declines coming among the smallest companies.

That, I argued in a column last weekend, may be making it tougher for stock pickers to beat the market and for investors to forecast future returns from past data. Now, I'm not so sure. In the past few days I've heard from several leading investors and researchers who feel I got parts of that story wrong. There's a lot that I, and you, can learn from their criticisms, mainly about the role that small companies play in the markets.

Ronen Israel, a partner at

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MELISSA GOLDEN FOR THE WALL STREET JOURNAL

Bruce Berkowitz is known for making very concentrated, often contrarian wagers.

Berkowitz's Comeback Bet

The fund manager stakes his return to glory on Sears

By Sarah Krouse

WEEKEND PROFILE

Bruce Berkowitz was named mutual-fund manager of the decade in 2010. Today, his fund has lost 89% of its assets from a 2011 peak and he is staking a comeback partly on one of America's most beaten-down companies: **Sears Holdings** Corp.

Mr. Berkowitz's flagship Fairholme Fund has lost 12.5% so far this year, while the S&P 500 is up about 9%. Over five years, his Fairholme Fund returned 6.9% compared with 14.6% for the S&P. At $2.2 billion in assets, the fund is just a fraction of the $20 billion in assets it held in 2011.

Performance has hit assets in the fund, but so have redemptions. Many investors who once relished Mr. Berkowitz's concentrated bets have taken their cash elsewhere. The fund manager is now the firm's largest customer after several years of customer withdrawals.

Mr. Berkowitz is unapologetic for the poor returns, noting he always has promised his investors ultraconcentrated, often contrarian bets and high volatility was a likely result.

"The people who had the smoothest ride were those in Bernie Madoff. Life is not smooth," he said.

Since the Fairholme Fund was started in 1999, it has delivered an annualized total return of about 10% versus about 5% for the S&P, according to **Morningstar** Inc.

Mr. Berkowitz is an anom-

Please see SEARS page B2

Dex Media Finds Deal in Yellow Pages

By Matt Jarzemsky

Phone-book publisher **Dex Media** Inc. said it acquired rival YP Holdings LLC, the latest in a long wave of consolidation among local-directory companies.

Dallas-based Dex agreed to pay $600 million for closely held YP and give the company's owners, including private-equity firm **Cerberus Capital Management** LP, a 3% stake in the combined company, The Wall Street Journal reported earlier Friday, citing people familiar with the matter.

The companies didn't disclose terms of the deal.

For Cerberus, the sale locks in a return of roughly 3.5 times the private-equity firm's 2012 investment in YP, people familiar with the matter said.

The combined company would have projected revenue of more than $2 billion this year, including more than $1 billion from its digital businesses, according to the statement. Dex and its peers have sought to expand such operations since the internet upended the market for print yellow pages.

Phone-book publishers have sought to adapt to the digital age by providing internet-based directories, as well as online marketing software and services aimed at mom-and-pop and regional businesses. They have also sought to help small businesses manage their websites and provide online marketing efforts to help such outfits compete with national chains.

Dex operates a software product called Thryv, for instance, that small companies use to manage scheduling, customer reviews and other marketing efforts.

Phone-book publishers have also tried to better their prospects by consolidating. Dex in 2013 combined with rival SuperMedia, a former unit of Verizon Communications Inc.

The arrival of the digital age has taken a toll on paper-based directory operators.

But the arrival of the digital age has taken a toll on paper-based directory operators. Dex Media last year emerged from chapter 11 bankruptcy protection. Its filing, earlier in 2016, marked the fifth time in seven years Dex or one of its predecessors sought bankruptcy-court protection to reorganize. In the latest restructuring, Dex handed ownership to creditors including hedge-fund firms Mudrick Capital Management LP and Paulson & Co.

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BUSINESS & FINANCE

Ford CEO Presses Decision Making

By Christina Rogers

Ford Motor Co.'s new chief executive is enforcing a "shot clock" on lingering decisions at the auto maker to implement plans faster and regain competitive footing in vital segments of the car business.

CEO Jim Hackett, speaking to analysts this week, rolled out the shot-clock idea—borrowing from a rule employed in basketball to quicken the pace of the game—as part of his agenda for the first 100 days in his new job.

Mr. Hackett, who succeeded Mark Fields at the helm in May, spoke Thursday with Wall Street analysts, the first such meeting for Ford's new chief as he confronts an underperforming stock price. The company has been widely criticized for appearing indecisive on important technology bets, including self-driving cars or electric vehicles.

In addition to setting firmer deadlines on decisions, Mr. Hackett said he plans to focus on costs, according to analysts' reports recounting the event. He also wants to move faster to target weaknesses in the business, such as slumping U.S. sedan sales.

"Mr. Hackett acknowledged that past slow decision-making—sometimes caused by confusion over 'who was in charge' within newer efforts—has been an issue at Ford," said Itay Michaeli, an analyst with **Citigroup**.

Ford and other conventional auto makers are scrambling to counter the automotive ambitions of such tech giants as Alphabet Inc., Intel Corp. and Apple Inc., and electric auto maker Tesla Inc.

Ford is now investing in autonomous-vehicle research, including taking financial stakes in startups, and is spending more than $4 billion to improve its electric-car lineup. Mr. Hackett signaled an openness to revisit the strategy he inherited from Mr. Fields, the analysts said.

The CEO change, coming as Ford's stock traded about 40% below its level when Mr. Fields became chief in 2014, is seen as an attempt to fix the 114-year-old company's culture.

A Ford spokesman confirmed the meeting with analysts took place.

SPIDER

Continued from the prior page

lost momentum. U.S. toy sales of Spider-Man fell to $200 million for a 12-month period bracketing the release of "The Amazing Spider-Man 2" in 2014, from $385 million in the year around the release of 2004's "Spider-Man 2," according to NPD Group.

As Sony executives struggled with their next move for the character after "The Amazing Spider-Man 2," Marvel lobbied to take back creative control. A team led by Marvel Studios President Kevin Feige that made the hits "Avengers" and "Guardians of the Galaxy" figured they could make a better movie, generating higher box-office and toy sales. Sony agreed in 2015, a little more than two months after a huge cyberhack revealed that talks were ongoing and after much internal debate, according to current and former employees.

No money changed hands under the deal. The only tweak to the prior arrangement was that in exchange for its producing services, Marvel gets to reduce the $35 million it would owe on "Homecoming" if the movie grosses more than $750 million, said people with knowledge of the arrangement.

COLUMBIA PICTURES/EVERETT COLLECTION

'Homecoming' director Jon Watts, left, and Tom Holland as Spider-Man.

"Homecoming," which portrays Spider-Man as a high-school student and is meant to echo director John Hughes's 1980s teen comedies, plays up the character's inexperience and insecurity in comparison to the wealth and confidence of Avengers characters like Robert Downey Jr.'s Iron Man, who appears in the film.

"He sees the Marvel universe from the ground level, which is who he is in the comics but not something that we've seen in a movie before," said Mr. Feige, who also is a producer.

Sony, which closely watched Marvel's work on "Homecoming" and had final say on all decisions, is headed for its biggest hit in years, according to market research. It is in the midst of a prolonged box-office slump, ranking it last or second-to-last among Hollywood's major studios for three straight years. The studio is also planning to take advantage of "Homecoming" by launching its own related but distinct cinematic universe using its rights to more than 900 characters who have appeared in Spider-Man comics.

In addition to an animated Spider-Man feature, it is working on "Venom," an anti-hero who will be played by Tom Hardy, for release next year and "Black Cat and Sable," about a pair of super-heroines.

Sony hopes its comic-book movies will stand out from those made by Marvel, as the two companies will be competitors if also business partners.

"They won't be like any Spider-Man movie or Marvel movie that has been made before," said Sanford Panitch, president of Sony's Columbia Pictures label.

Marvel and Sony have the right to terminate their cooperation on Spider-Man movies at any point, but for now have no plans to do so. The web slinger will make brief appearances in a pair of coming "Avengers" sequels and Marvel is already developing a sequel to "Homecoming," which Sony will pay to make with its release scheduled for the summer of 2019.

TECH

Continued from the prior page

Americans' aversion to restrictions on free speech. Across the Atlantic, the more tightly controlled approach is illustrated by Europeans' war-hardened devotion to personal privacy and curbing hate speech.

"It stems from very different economic traditions in how much of a role the state should have in resolving problems," says James Waterworth, vice president for Europe at the U.S.-based Computer & Communications Industry Association, a lobby group that represents U.S. tech companies including Facebook and Google. "In a globalized world, with large transnational companies, these things increasingly come into conflict."

Some free-market supporters in the U.S. and Europe view the moves by regulators as cover for political interventions and even protectionism. Europe dominated the early mobile-phone era but now has no tech companies on the scale of Google or Facebook.

Mr. Obama in 2015 said the EU's investigations into big U.S. tech companies were "more commercially driven than anything else," suggesting the EU was trying to help out European competitors.

EU officials deny such accusations but frequently say that if large tech companies, which are primarily American, want access to the bloc, they must "play by the EU's rules."

The EU's antitrust watchdog is still investigating other aspects of Google's business and chip maker **Qualcomm** Inc. for allegedly abusing their market positions. The watchdog also has been probing whether **Amazon.com** Inc. paid appropriate taxes in Luxembourg. The companies all deny wrongdoing. And Europe's national privacy regulators are coordinating multiple investigations into Facebook's handling of personal information from chat service WhatsApp.

"These companies have become so dominant, so powerful, when [they] demote rivals, who puts the limit?" said Ramon Tremosa i Balcells, a liberal lawmaker from Spain who backed the European Parliament's resolution in 2014 calling for a breakup of Google.

Regulatory scrutiny in the U.S. may never match that of Europe, but some American politicians have raised concerns about the size of tech companies and their power in the market. President Donald Trump's nominee to be the Justice Department's antitrust chief, Makan Delrahim, has promised to "investigate and vigorously enforce the antitrust laws with respect to online platforms."

One factor in the policing has been tech firms' disruption of traditional industrial giants in Europe. In response, many legacy players have lobbied for new rules and tougher enforcement against the interlopers—

Some U.S. politicians also have raised concerns about the size of tech firms.

and found open ears. European telecom firms, seeing their revenue from text messages undercut by chat apps, were among the first to advocate new legislation to mandate a "level playing field."

European car makers have lobbied EU officials to support industry proposals that car makers should be the primary gateway for drivers to share car data. Some executives fear Silicon Valley firms could hoard vehicle data, turning cars into low-margin devices, one auto executive said. German publishers also lobbied for copyright proposals that would help them seek remuneration from Google and other news aggregators for snippets of articles used on their websites. News Corp, owner of The Wall Street Journal, has formally complained to the EU about Google's handling of news articles in search results.

—Eun-Young Jeong and John D. McKinnon contributed to this article.

Targeted

U.S. tech firms have faced investigations or possible regulations on several fronts in Europe. Here are some of the hot spots:

INVESTIGATIONS: Negative decision · Partly settled · Ongoing
LEGISLATION: Passed · In debate

Taxes
- Apple—EU
- Google—France, Italy, among others
- Amazon—EU

Competition
- Google—EU
- Qualcomm—EU
- Facebook—Germany

Privacy
- Google—France
- Facebook/WhatsApp—Ireland, France, others

Online Media
- Facebook/Google et al.—Germany; hate speech
- Google—EU; copyright
- Google, Amazon et al.— EU; unfair terms

Source: staff reports
THE WALL STREET JOURNAL.

SEARS

Continued from the prior page

aly in the investing world. He still does what a shrinking number of his peers do: mining regulatory filings himself, gauging his faith in company leaders, conferring with analysts and at times playing the role of activist.

That type of examination is behind his growing bet on Sears, the formerly quintessential American retailer that has reported seven years of losses.

Last month, Sears raised concerns about its ability to continue operating as a "going concern."

Most days, he works from his Coral Gables, Fla., home, calling his staff located at a nearby white-and-glass office building. His day-to-day appearance is more country club than Wall Street—he often wears boat shoes and jeans or khakis.

Mr. Berkowitz says one part of his comeback—big bets on government-backed mortgage financing giants—could pay off in the next six months.

Treasury officials have said they want to reform **Fannie Mae** and **Freddie Mac**, which could include moving them out of government control. Such a move could put an end to litigation over their future and deliver a windfall to investors. For now, however, the future of the two entities and what that will mean for investors is unclear. Preferred shares in the two represented 38% of the Fairholme Fund at the end of February, according to a regulatory filing, the most recent holdings information available.

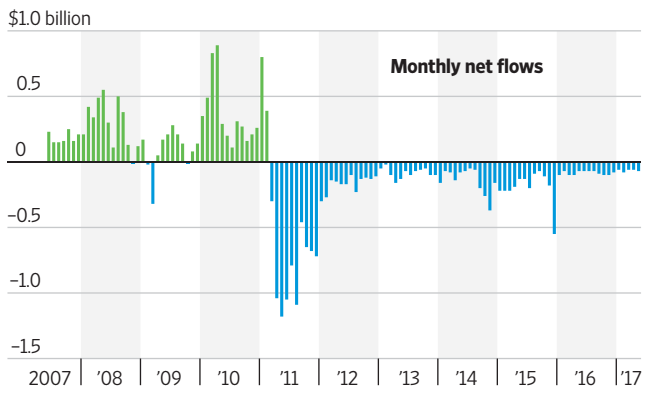
Mr. Berkowitz started building a position in Sears stock in late 2005 and now owns both debt and equity in a number of Sears entities. He also owns shares in its spinoff real-estate investment trust **Seritage Growth Properties**. He has continued to add to some of those holdings in recent years.

As of the end of February, more than 10% of the fund was invested in Seritage shares, Sears and appliance seller **Sears Hometown and Outlet Stores** Inc. stock and various Sears entities' corporate debt, according to the filing. The fund's holdings also include warrants to purchase Sears common stock.

Mr. Berkowitz has been adding to his Sears exposure in recent years as its stock price has declined. This year through Wednesday, Sears shares had fallen 14%.

Fairweather Flows

Investors flocked to the Fairholme Fund after a hot streak, but have withdrawn billions in recent years.



Source: Morningstar
THE WALL STREET JOURNAL.

"The deaths of today's malls and other enclosed spaces is greatly exaggerated," Mr. Berkowitz said in a recent interview.

He believes restaurants are returning to malls, but in the form of outdoor eateries. Mr. Berkowitz said traditional clothing chains may die, but their space will be replaced by movie theaters and auto showrooms. As online retailers reshape shopping, he says the parking lots and properties traditional retailers occupied will be redeveloped and used for new services or homes.

When that happens, he says anchor properties will have heightened value given their footprint and location. And, Sears often inhabits the largest corner of malls.

Still, many landlords have lost large anchor tenants in recent years, and some analysts and property owners have questioned whether a resurgence of such malls is possible.

"No one thinks about the parking lots. Those already have infrastructure, highways, secondary roads, sewers, water systems," he said.

Together with the Fannie and Freddie stakes, real estate and retail-related holdings account for 70% of the Fairholme Fund. Other real-estate holdings include Florida-based developer **St. Joe** Co., which represents about 14% of the fund.

Some investors have opted to sit out the real-estate bets.

Steve Bachman, a retired chemical engineer in Orange County, Calif., who owned the fund for 10 years sold his stake in 2015 concerned about the prospects of its positions in Sears and the Florida development firm, where Mr. Berkowitz is chairman.

"They bought Sears because the land was valuable, but it would probably be forever before they'd get a return on it, and meanwhile I was watching Sears stock go down," he said.

A Warren Buffett devotee, Mr. Berkowitz, 59, seeks unloved, undervalued companies.

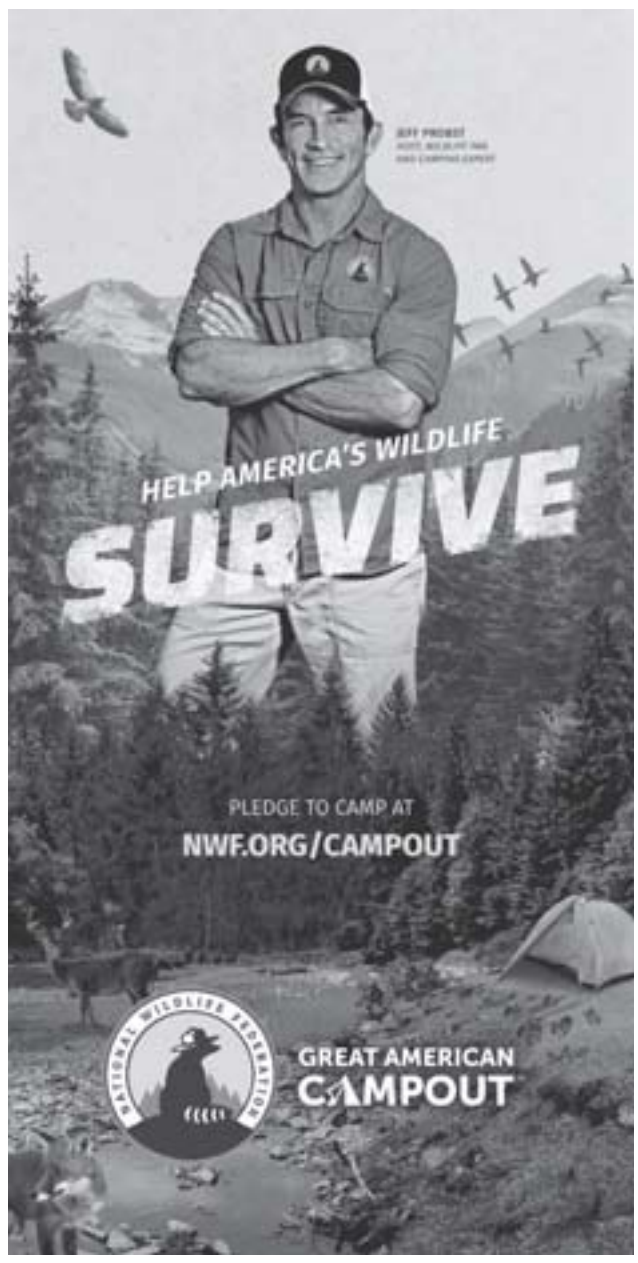
He made lucrative bets on insurance companies including **American International Group** Inc. and **Bank of America** Corp. in the wake of the financial crisis that paid off in recent years as they recovered.

He dodged the technology bubble and bust and before the financial crisis made successful bets on energy and defense that contributed to his fame.

In 2010, fund-research firm Morningstar named Mr. Berkowitz U.S. stock fund manager of the decade.

More recently, he has invested more in debt than stocks, drawn to the income and protection from price swings that bonds offer.

"Spending 30 years analyzing equities is a really great way to understand credit," Mr. Berkowitz said.



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EVERETT COLLECTION

The company, which offers its mostly South Asian customer base tunes from Indian movies, spends about 40% of its revenue on licensing music.

Music Profits Key Off Bollywood

Saavn, which makes money streaming Indian songs, is a rarity in the industry

By Ethan Smith

Streaming services like **Spotify** and Apple Music have helped to revitalize record labels while outpacing downloads and physical sales as the most popular way consumers obtain music.

But there's one thing apparently none has yet achieved: profits.

That could soon change, courtesy of an unlikely competitor, **Saavn** LLC, which operates a niche music service it says is on track to turn a quarterly profit by the end of next year.

Streaming subscription companies delivered robust revenue growth to the music industry last year for the first time in well over a decade, after online piracy and other forces pushed sales down 60% from their peak in 2000.

Saavn is a relative minnow among them, with 22 million monthly active users who are predominantly in India and seven nearby nations. To them it offers a free service with unlimited access to 30 million songs—both Indian and Western—in exchange for enduring ads. Charts and playlists spotlight music from various regions, eras and artists, such as Bollywood star Shah Rukh Khan.

Outside South Asia, Saavn is subscription-only. For around $5 a month, users in the U.S., U.K. and about 200 other countries gain access to 11 million songs, most of them Bollywood tunes and other Indian music. Users in India can pay 99 rupees (about $1.54) a month for an ad-free "pro" option.

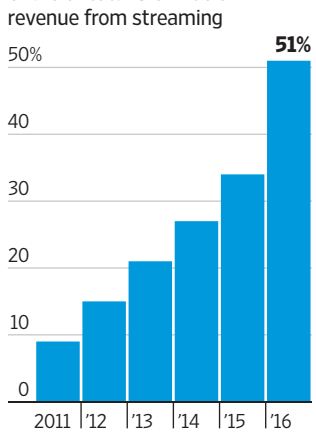
The service also offers music from 10 artists it has signed directly to record label-style deals, along with 30 talk shows.

The co-founder and chief executive of New York-based Saavn, Rishi Malhotra, said the company is on track this year for revenue of $18 million to $20 million—four times what it garnered three years ago—with 70% coming from subscription fees. Three million of its users are in subscription-only markets.

Those numbers are tiny compared to industry leader Spotify AB, which recently said it had 140 million active users, 50 million of them paying subscribers, and reported more than $3.3 billion in revenue for 2016, on which it lost nearly $612 million. Internet-radio giant Pandora Media Inc. has been awash in red ink since its debut as a public company six years ago.

Sounds Good

Share of total U.S. music revenue from streaming



Source: Recording Industry Association of America

THE WALL STREET JOURNAL.

Most other major subscription services are part of tech giants including Apple Inc., Alphabet Inc. and Amazon.com Inc., which don't break out financials for their subscription services. But many people in the music industry believe they also lose money, since their business models tend to resemble Spotify's, including high costs for licensing, marketing, data hosting and streaming.

Mr. Malhotra, a former HBO executive, said Saavn's specialized focus and the unusual financial arrangements that come with it are vital to its relatively rapid path to profits. The company spends only about 40% of revenue on licensing music, compared to about 70% paid by bigger services.

Apple Music and Google Music both have presences in India, but Spotify doesn't.

With a vast population and a highly fragmented music industry, India represents both a challenge and opportunity for music companies trying to figure out how to do business there.

Guy Oseary, the manager for Madonna and U2 and an investor in Saavn, said he has long had his eye on the nation but never booked a show there. Until he met Mr. Malhotra, Mr. Oseary recalls, "I hadn't met anyone who could actually help me figure out how to do any work there."

Marc Geiger, an investor in Saavn who separately heads the music department at the WME talent agency, said, "These guys are incredibly well positioned because they're a market leader in a ginormous market."

The company, which began as South Asian Audio Video Network, has been streaming music for six years. It has about 190 employees, in the U.S. and India.

Spotify's future also could include black ink.

Ahead of a planned public stock offering late this year or early next year, the company recently negotiated new licensing deals with two major music suppliers—Vivendi SA's Universal Music Group and Merlin, a trade group for independent labels—on terms music industry experts believe will improve its operating margins by, among other things, lowering royalty rates. Spotify is pursuing similar terms with Sony Corp.'s Sony Music and Access Industries' Warner Music Group, say people familiar with the matter.

As the biggest services gain subscribers, Mr. Geiger is bullish on streaming in general. "People see a path to profitability," he said. "It was always about gaining users."

Lotte Will Cut Price for Unit IPO

By Yantoultra Ngui And P.R. Venkat

SINGAPORE—South Korea's **Lotte Group** will lower the price for the initial public offering of its Malaysian petrochemical unit due to tepid demand, people familiar with the process said Friday.

The conglomerate will now look to raise $1.1 billion from the IPO of **Lotte Chemical Titan**, the people said, selling 740.48 million shares at 6.50 ringgit ($1.51). That is down from the initial target of $1.4 billion, if the shares had sold at the high end of the earlier price range of 7.60 ringgit to 8 ringgit.

Most of the quality demand was coming for a lower price, the people said, adding that the book-building process will start Monday.

Other people familiar with the process said earlier that four investors have agreed to take as much as 20% of the IPO: Malaysian state-owned fund manager **Permodalan Nasional** Bhd., insurance firm Great Eastern, and asset managers Maybank Islamic Asset Management and Eastspring Investments.

A spokeswoman for Lotte Group didn't immediately respond to a request for comment.

Its IPO plans were delayed after South Korean prosecutors charged the parent company's chairman and four of his family members with tax evasion and embezzlement in October. Lotte apologized for "causing concern" and said it would cooperate with the investigation process. In January the chairman's sister was sentenced to three years in prison.

Lotte has interests in duty-free stores, luxury hotels and insurance. It boasts annual sales of about $74 billion, and has been controlled by the Shin family since it was established in 1948.

The Malaysia IPO market isn't a big one. If successful, the Lotte Chemical Titan IPO would be the largest in nearly five years, since Astro Malaysia Holdings Bhd. set the record by raising $1.5 billion.

Maersk Tries to Shake Effects of Hack

By Costas Paris

A.P. Moeller-Maersk A/S, the world's biggest containership operator, is still trying to restore its global computer network after a major cyberattack forced the company to rely on phone calls and texts to keep operations going.

"I was in a meeting when it happened," Chief Operating Officer Vincent Clerc said in an interview from the company's headquarters in Copenhagen. "Screens went blank, the whole network was hit in a few minutes. We were surprised because you don't expect something like this to happen."

Maersk this past week suffered computer outages at its APM Terminals at ports in the U.S., Europe and India. It stopped taking new cargo for almost three days and is still working to restore basic communications like email.

Containers piled up at ports because they couldn't be loaded on trucks, trains or other ships as there was no access to end-user destination data. "In Los Angeles containers were unloaded, but it was hard to operate the gate and forward them to customers," Mr. Clerc said.

REUTERS

A control system in the cab of a Maersk container ship.

APM Terminals in New Jersey and Los Angeles started delivering imports Friday, though neither site is yet accepting containers loaded for export. APM's Elizabeth, N.J., facility is its largest on the East Coast and typically processes about 4,500 containers a day, according to Giovanni Antonuccio, the terminal's manager of client services.

APM facilities in Mumbai, Buenos Aires and other foreign ports are back in operation, though the Maasvlakte II terminal in the Netherlands, one of two APM facilities in Rotterdam, hasn't yet reopened.

"We are making progress in taking new orders since yesterday and expect to return to some kind of normalcy on Monday," Mr. Clerc said.

Once Maersk realized it was hit by a cyberattack it shut down its entire network to protect its applications from being infected.

"We didn't kick in the backup system because we feared it would be infected as well," Mr. Clerc said. Instead the company resorted to a mostly manual system and used mobile and satellite phones to communicate with ships, terminals and clients.

—Jennifer Smith contributed to this article.

Musk Says Stay Tuned for Release Date of Tesla Car

By Tim Higgins

Tesla Inc. Chief Executive Elon Musk teased on his Twitter account Friday that an announcement about a release date for the electric car maker's Model 3 sedan will come on Sunday.

Production of the $35,000 car is scheduled to begin in July and investor enthusiasm has helped push the company's shares to record highs, giving the Silicon Valley auto maker a market capitalization that exceeds that of General Motors Co. and Ford Motor Co.

At 1:51 a.m. EDT on Friday, Mr. Musk responded to a Twitter message pleading for word of the vehicle's release with: "News on Sunday."

The Model 3 is part of Mr. Musk's strategy to boost production next year to 500,000 vehicles from about 84,000 last year, transforming the auto maker from a niche luxury brand into a more mainstream player. GM, for example, sold 10 million vehicles last year.

Tesla is expected to release its second-quarter global sales results next week. The company is expected to have sold 23,655 vehicles during the three-month period, according to the average estimate of four analysts surveyed by The Wall Street Journal.

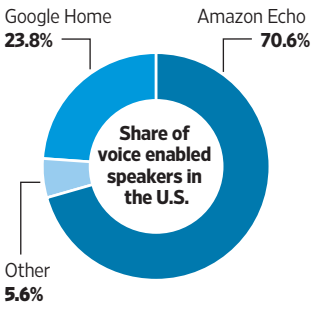
A record first quarter of about 25,000 deliveries helped fan enthusiasm for Tesla and put the company on track to meet its goal of selling 47,000 to 50,000 Model S sedans and Model X sport-utility vehicles during the first half of this year.

TESLA

Tesla's Elon Musk promised 'News on Sunday' about the electric car maker's Model 3 sedan, which is about to begin production.

At Your Assistance

Alibaba will enter a market in China that in the U.S. is dominated by Amazon.



Note: Data are for April 2017
Source: eMarketer

THE WALL STREET JOURNAL.

Alibaba Plans Digital Assistant

By Liza Lin

Alibaba Group Holding Ltd. plans to introduce a digital personal assistant similar to **Amazon.com** Inc.'s Echo device as soon as next week, according to a person familiar with the matter.

The home device, powered by voice-recognition technology, will be targeted at Chinese consumers. Among other features, the device will allow people to use verbal commands to buy products from Alibaba's shopping platforms Taobao and Tmall, the person said.

Alibaba's device, which was previously reported by the Information, would heighten the competition for Amazon, **Alphabet** Inc.'s Google and **Apple** Inc. when they look to market their own digital assistants in China.

Chinese search-engine giant **Baidu** Inc. launched its own voice-controlled home robot, called Little Fish, in April. It includes a tablet screen that allows users to perform searches, order food and play music and movies.

JD.com Inc., Alibaba's smaller e-commerce rival, already sells a smart home speaker, called Dingdong, and has been touting an upgrade that allows Chinese consumers to use the device to practice their English.

These and other Chinese technology companies, including **Tencent Holdings** Ltd., control the lion's share of the domestic market for online retail, music, live-streaming video and search, among other services.

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TAX REPORT | By Laura Saunders

What to Expect With Health Law Changes

There is no question your taxes will change if Republicans pass a health-care bill.

This past week, Senate leaders delayed a vote on the Better Care Reconciliation Act of 2017 until after the July Fourth holiday. The bill seeks to repeal or replace large swaths of the Affordable Care Act, or ACA, also known as Obamacare.

While there are some differences between the Senate bill and the American Health Care Act, which the House of Representatives passed in May, the bills overlap in many areas. Those overlaps provide a likely picture of how the final product would affect your pocketbook.

Here's the potential impact:

Penalty for lack of coverage: Both bills repeal excise taxes for people who don't have appropriate coverage, retroactive to the beginning of 2016.

Taxpayers who made these penalty payments will be eligible for refunds. For a married couple with two children and $150,000 of income in 2016, the penalty payment was about $3,200 in 2016.

Premium tax credit: The ACA provides lower-income taxpayers with upfront credits to help purchase insurance on exchanges. The Senate bill largely preserves this credit through 2019, while the House bill modifies the current credit for 2018 and 2019 by increasing it for younger adults and decreasing it for older people.

Both bills substantially shrink the credits after 2019, according to Karen Pollitz, a fellow at the Kaiser Family Foundation, a nonpartisan group that provides health-care analysis.

Both bills also make an important change to upfront tax credits for premiums for lower-income people. Under the ACA, recipients of premium credits whose income turns out to be higher than they estimated often don't have to repay all of the credit due to a cap on the clawback.

Both House and Senate bills remove the cap on the premium clawback, Ms. Pollitz said. According to Internal Revenue Service data, about 90% of those claiming the credit estimated their income incorrectly.

Investment income surtax: Both bills repeal the 3.8% surtax on net investment income retroactive to the beginning of 2017. On Thursday, some senators said they were open to preserving the surtax.

This levy took effect in 2013 and applies to most married couples with adjusted gross income above a threshold of $250,000 ($200,000 for single filers). Investment income includes capital gains, interest, dividends, royalties and certain rents, among other items.

Additional Medicare tax: Both bills also repeal the 0.9% additional Medicare tax for married joint filers earning more than $250,000 (or $200,000 for single filers), but not until 2023.

Medical expenses deduction: The ACA raised the threshold for deducting medical expenses to 10% of income. The Senate's bill lowers the threshold to 7.5% for all taxpayers, while the House bill lowers it to 5.8%. Both provisions take effect for 2017.

Flexible spending accounts (FSAs): The ACA imposed a $2,500 annual cap on contributions to FSAs, workplace plans that employees can fund to pay health expenses with pretax dollars. With inflation adjustments, the limit is $2,600 for 2017.

Both bills remove this cap and restore the ability to use FSA funds to pay for over-the-counter medications without a prescription. The House bill is effective for 2017, and the Senate bill for 2018.

Dustin Stamper, a legislative analyst with accounting firm Grant Thornton LLP, said if the cap is removed, many companies are likely to revert to a $5,000 limit, which was common before the ACA.

Health savings accounts (HSAs) and medical spending accounts (MSAs): Both bills propose to expand these accounts, which allow pretax contributions to cover out-of-pocket expenses for high-deductible health plans.

The permitted 2018 contribution to an HSA or MSA would increase to equal the maximum out-of-pocket limit for high-deductible plans approved by the IRS, rising from $3,450 to $6,650 for individual coverage and from $6,900 to $13,300 for family coverage.

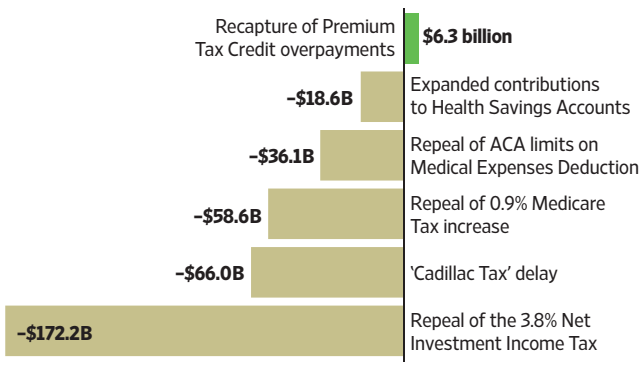
"Cadillac" plan tax: The ACA levied a 40% tax on the value of health-coverage plans exceeding a certain threshold, but the provision has never taken effect because it is unpopular on both sides of the aisle in Congress. Both bills push the date of this levy to 2026 from 2020.

Tanning tax: A last-minute deal in the ACA shifted a "Botox tax" on cosmetic procedures to users of tanning parlors. The revenue has fallen far short of projections, said analyst Scott Greenberg of the Tax Foundation, a research group. For example, it raised only $78 million of the expected $300 million in 2015.

The House bill repeals the 10% tanning tax as of June 30, while the Senate bill delays it until Sept. 30, when many tanners move indoors.

What it Costs

Revenue estimates for selected tax provisions of the health-care bill before the Senate.



Note: Gain or loss from 2017- 2026
Source: Joint Committee on Taxation
THE WALL STREET JOURNAL.

How to Monitor and Meet Your Retirement Targets

By Anne Tergesen

Whether you're just starting out or are well into your career, you may wonder: Are my retirement savings on track?

Why bother tracking your progress? With regular checkups, you can avoid the potential for a nasty surprise as retirement looms. Moreover, according to psychological research conducted on students at the University of Waterloo in Ontario, those prompted to monitor their savings progress are more successful.

Back of the envelope

When financial planners assess whether clients are on track to reach retirement goals, they generally use software that isn't available to the public.

But with some relatively simple math, you can get a sense for what they do, says Michael Kitces, partner and director of wealth management at Pinnacle Advisory Group Inc. in Columbia, Md.

The first step is to estimate the amount you want to spend in retirement. If you have no clue, use the 80% rule of thumb. It assumes that retirees can get by on about 80% of what they earned before retiring because they no longer need to commute or save for retirement and frequently wind up in a lower tax bracket. Using the rule, a couple with a $100,000 annual income would need an annual retirement income of $80,000.

The next step is to deduct from that $80,000 the couple's expected Social Security and pension benefits. If they are entitled to $35,000 a year in Social Security, for example, they would need savings to supply the remaining $45,000.

Mr. Kitces suggests multiplying that number—$45,000 in this case—by 25. The result—or $1.125 million—is the amount the couple would have to save to be able to withdraw $45,000 a year without violating the 4% "safe" withdrawal rate that historically has ensured retirees a high probability of never running out of money.

If the couple has saved $560,000, they are about halfway to their $1.125 million goal. But assuming both partners are 50 years old, are they on track?

With regular checkups, you can avoid the potential for a nasty surprise.

Here, another rule of thumb can help. Known as the Rule of 72, it calls for dividing 72 by the rate of return the couple's investments can reasonably be expected to earn. The result is the number of years it will take to double their money.

If the couple invests 60% in stocks and 40% in bonds, they are likely to earn a real return of about 5% a year.

Since 72 divided by 5 is about 14, the couple's savings are likely to double every 14 years. As a result, by the time they are 65, their $560,000 should double in real terms to reach $1.12 million.

This method doesn't account for future contributions to retirement savings.

'X' times salary

If you prefer to skip the math, **Fidelity Investments** has devised a shortcut. But you have to make sure the assumptions make sense for you and make adjustments if not.

According to Fidelity, a person who starts saving around age 25 and expects to retire in 42 years should have saved an amount equal to his or her annual salary at age 30.

By age 40, the goal is to have saved three times his or her current salary, en route to six times at age 50, eight times at age 60 and 10 times by age 67, the age at which people born after 1959 are entitled to full Social Security benefits.

This approach is designed to replace 45% of preretirement income—or $45,000 annually for someone with a $100,000 salary—for approximately 25 years. (Fidelity assumes Social Security covers the rest.)

To hit those targets, Fidelity recommends saving about 15% a year, including any contribution your employer may make to a 401(k)-type account.

This rule of thumb applies only to people making between $50,000 and $300,000.

Safe savings rate

With this method, you can avoid having to track your progress entirely. But while this rule of thumb is easy to use if you're starting out in your career, it's harder to adopt midstream unless you have access to specialized software for advisers.

The method establishes the amount someone should save annually to replace half of preretirement income—for example, $50,000 of a $100,000 salary—with a high probability of sustaining that spending over a 30-year retirement.

For someone with 30 years to go before retirement and a portfolio with 60% in stocks and 40% in bonds, the required annual savings rate is 16.6%, says Wade Pfau, a professor of retirement income at the American College of Financial Services in Bryn Mawr, Pa. A person who plans to work for 40 years should save 8.8% a year.

If you are in the middle of your career and haven't saved the required rate, it's not easy without professional help to figure out how much more you'll need to save to catch up.

Input Sought on Fiduciary Rule

By Lisa Beilfuss

The Labor Department said it is seeking more public feedback on the fiduciary rule, a sign that the retirement-savings regulation could still be revised before it takes full effect.

The heart of the fiduciary rule, which requires stewards of some $3 trillion in retirement assets to act in clients' best interest, began to take effect June 9 after a two-month delay. The final compliance deadline is Jan. 1.

In a notice published Friday, the Labor Department said it would reopen the comment period to solicit feedback from investors, advisers and businesses.

The agency is specifically asking for input that could form the basis of changes and new exemptions to the fiduciary rule. It will accept such comments for 30 days and will also seek feedback for 15 days on whether to postpone the Jan. 1 deadline.

Despite expectations by opponents that the Trump administration would scrap the rule, it has survived thus far.

Labor Secretary Alexander Acosta, in an opinion piece for The Wall Street Journal in May, said "respect for the rule of law" precluded a further delay of the June 9 deadline.

However, Mr. Acosta didn't eliminate the possibility of a repeal or revision after the Labor Department completes an economic-impact review at the end of the year. The reopening of the comment period is part of that process.

The feedback the agency receives could help the administration make the legal case for a further delay in the regulation's final compliance deadline, said Erin Sweeney, an attorney at Miller & Chevalier Chartered who represents parties in litigation regarding fiduciary obligations.

CHRISTOPHE VORLET

INVEST

Continued from page B1

AQR Capital Management LLC, a firm in Greenwich, Conn., that manages more than $180 billion in assets, doesn't think the decline in the number of small companies is a big deal.

"That part of the universe is so small," says Mr. Israel, "that it doesn't really affect most portfolio managers because they can't invest there anyway."

THE INTELLIGENT INVESTOR

The 1,900 most minuscule companies combined are only 2% of the total value of the U.S. stock market, according to the Center for Research in Security Prices at the University of Chicago's Booth School of Business.

Many such minnows have market values barely above $15 million, making them untouchable for the typical fund manager and unlikely to be a major factor in the performance of stock pickers, says Mr. Israel.

Or consider "factor investing," which selects groups of stocks based on how big companies are, how much their shares fluctuate, how expensive they are relative to asset value and so on. Much of that underlying research is based on periods when twice as many stocks existed as today. Is it still valid? So many of the stocks that disappeared were so small that they shouldn't overly influence the results, says Mr. Israel, except in strategies that weight stocks equally rather than by size as most indexes do.

Larry Swedroe, director of research at **Buckingham Asset Management** LLC in St. Louis, points out that the performance of small stocks has been relatively consistent all the way back to 1926, regardless of how many there were.

Jay Ritter, a finance professor at the University of Florida who is a leading authority on initial public offerings, says the shrinkage of small stocks isn't new. While it was common for more small companies (with under $50 million in sales) than big ones to sell shares to the public in the 1980s and 1990s, that hasn't happened in a single year since 2000.

The new chairman of the Securities and Exchange Commission, Jay Clayton, has said that he hopes to encourage more small companies to list shares, at least partly by reducing red tape.

'Getting big fast is more important than it used to be,' says Jay Ritter.

Regulatory costs aren't the main issue, says Prof. Ritter: "Small companies are having a lot of difficulties competing with big companies, mainly due to technology and globalization."

For evidence, look no further than the IPO of the meal-kit delivery service **Blue Apron Holdings** Inc. on Thursday. It arrived on the table cold, closing unchanged at $10 on its first day, after the company had sought to get between $15 and $17. The offering faltered partly because of the threat of intense competition from **Amazon.com** Inc.

"Getting big fast is more important than it used to be," says Prof. Ritter. So the venture-capital funds backing many startups protect their investments by merging with or selling to other companies rather than taking them public.

In the 1990s, IPOs regularly accounted for more than half of all "exits," or sales, by venture-capital firms; from 2001 onward, they haven't accounted for more than 20% in a single year, calculates Prof. Ritter.

The losers here are small investors who can't invest in venture-capital firms, says Brian Buenneke, a partner at **Pantheon Ventures** in San Francisco, which manages about $36 billion in venture-capital and private-equity funds. "Individual investors have access to fewer companies and slower growth. They're really getting shut out."

The earliest and biggest gains are being captured by a wealthy, closed and connected investing clique. If that continues, it could jeopardize popular support for free-market policies.

It's worth pointing out that most small companies, even the most promising ones, end up underperforming. And big investors have poured so much money into venture-capital and private-equity funds that recent returns, on average, haven't been significantly different than in the public markets. But those few who win big win very big indeed.

"Historically, great companies went public far earlier and in theory anyone could identify their promise and be rewarded for taking that risk," says Lauren Loktev, a partner at **Collaborative Fund**, a New York-based firm that has invested about $125 million in startups. "Now, by the time they go public, the exponential growth isn't there anymore."

BIGGEST 1,000 STOCKS

How to Read the Stock Tables

The following explanations apply to NYSE, NYSE Arca, NYSE MKT and Nasdaq Stock Market listed securities. Prices are composite quotations that include primary market trades as well as trades reported by Nasdaq OMX BXSM (formerly Boston), Chicago Stock Exchange, CBOE, National Stock Exchange, ISE and BATS.
The list comprises the 1,000 largest companies based on market capitalization.
Underlined quotations are those stocks with large changes in volume compared with the issue's average trading volume.
Boldfaced quotations highlight those issues whose price changed by 5% or more if their previous closing price was $2 or higher.

Footnotes:
i-New 52-week high.
l-New 52-week low.
dd-Indicates loss in the most recent four quarters.
FD-First day of trading.
h-Does not meet continued listing standards
lf-Late filing
q-Temporary exemption from Nasdaq requirements.
t-NYSE bankruptcy
v-Trading halted on primary market.
vj-In bankruptcy or receivership or being reorganized under the Bankruptcy Code, or securities assumed by such companies.

Wall Street Journal stock tables reflect composite regular trading as of 4 p.m. and changes in the closing prices from 4 p.m. the previous day.

Friday, June 30, 2017

NYSE

YTD %Chg	52-Week Hi	52-Week Lo	Stock	Sym	Yld %	PE	Last	Net Chg
18.18	25.83	18.72	ABB	ABB	3.1	24	24.90	0.16
-4.39	13.32	10.93	AES	AES	4.3	dd	11.11	-0.05
11.61	79.86	66.50	Aflac	AFL	2.2	13	77.68	0.08
-11.29	43.89	36.10	AT&T	T	5.2	18	37.73	0.11
-0.93	71.06	52.67	AXIS Capital	AXS	2.4	13	64.66	-0.10
26.56	49.59	37.38	AbbottLabs	ABT	2.2	50	48.61	-0.12
15.79	73.67	55.06	AbbVie	ABBV	3.5	19	72.51	0.03
5.59	128.47	108.83	Accenture	ACN	2.0	22	123.68	0.69
-11.95	280.89	157.33	AcuityBrands	AYI	0.3	28	203.28	4.76
11.57	76.09	39.66	Adient	ADNT	1.7	dd	65.38	0.61
-31.06	177.83	115.62	AdvanceAuto	AAP	0.2	21	116.59	0.54
25.20	6.64	4.89	AdvSemiEngg	ASX	4.0	17	6.31	0.05
-7.59	5.84	3.36	Aegon	AEG	5.7	14	5.11	-0.08
11.58	49.66	31.66	AerCap	AER	...	9	46.43	-0.41
22.43	155.15	104.59	Aetna	AET	1.3	47	151.83	0.05
14.15	171.65	130.48	AffiliatedMgrs	AMG	0.5	19	165.86	0.85
30.18	61.15	42.92	AgilentTechs	A	0.9	33	59.31	0.51
7.43	60.10	35.05	AgnicoEagle	AEM	0.9	38	45.12	0.37
-10.00	111.88	87.62	Agrium	AGU	3.9	17	90.49	0.01
-0.53	150.45	126.94	AirProducts	APD	2.7	23	143.06	1.29
1.16	101.43	56.45	AlaskaAir	ALK	1.3	15	89.76	0.66
22.61	116.64	75.11	Albemarle	ALB	1.2	24	105.54	0.87
16.27	39.78	20	Alcoa	AA	...	dd	32.65	-0.53
8.40	122.28	100.53	AlexandriaRealEst	ARE	2.9	dd	120.47	1.48
60.46	148.29	77.68	Alibaba	BABA	...	56	140.90	0.09
-2.19	667.19	510.52	Alleghany	Y	...	20	594.80	-2.25
26.75	82.77	61.47	Allegion	ALLE	0.8	33	81.12	1.30
15.75	261.27	184.50	Allergan	AGN	1.2	8	243.09	-0.93
12.34	266.25	191.59	AllianceData	ADS	0.8	34	256.69	-1.43
0.85	25.12	20.40	AllianceBernstein	AB	7.8	11	23.65	0.35
6.02	42.19	34.88	AlliantEnergy	LNT	3.1	24	40.17	-0.28
11.34	40.02	26.74	AllisonTransm	ALSN	1.6	25	37.51	0.36
19.32	90.74	66.55	Allstate	ALL	1.7	15	88.44	0.31
9.88	23.62	15.37	AllyFinancial	ALLY	1.5	10	20.90	-0.31
7.67	35.29	30	AlticeUSA	ATUS	...	...	32.30	-0.38
10.13	77.79	60.82	Altria	MO	3.3	10	74.47	0.07
26.15	13.85	7.90	AlumofChina	ACH	...	68	12.88	0.16
11.81	6.38	4.70	Ambev	ABEV	...	24	5.49	0.02
4.21	57.21	46.84	Ameren	AEE	3.2	20	54.67	-0.03
26.65	16.56	11.02	AmericaMovil	AMX	2.1	25	15.92	0.17
27.57	16.40	10.83	AmericaMovil A	AMOV	2.1	25	15.69	0.17
-4.96	54.56	44.65	AmCampus	ACC	3.7	73	47.30	-0.42
10.34	72.97	57.89	AEP	AEP	3.4	49	69.47	-0.13
13.71	85.39	58.25	AmericanExpress	AXP	1.5	15	84.24	0.61
12.77	103.19	70.82	AmericanFin	AFG	1.3	13	99.37	-0.14
7.58	23.98	19.62	AmerHomes4Rent	AMH	0.9	dd	22.57	0.28
-4.27	67.47	50.20	AIG	AIG	2.0	202	62.52	-0.98
25.21	137.12	99.72	AmerTowerREIT	AMT	1.9	64	132.32	-0.50
7.73	85.24	69.41	AmerWaterWorks	AWK	2.1	29	77.95	-0.15
-5.74	50.11	42.52	Amerigas	APU	8.4	89	45.17	0.04
14.74	135.20	84.93	Ameriprise	AMP	2.6	15	127.29	-0.73
20.90	97.85	68.38	AmerisourceBrgn	ABC	1.5	18	94.53	-1.23
24.63	62.89	43.30	Ametek	AME	0.6	27	60.57	0.57
9.85	76.67	55.36	Amphenol	APH	0.9	26	73.82	0.06
-34.98	73.33	43.45	AnadarkoPetrol	APC	0.4	dd	45.34	0.09
4.67	136.08	98.28	AB InBev	BUD	4.0	157	110.36	-0.30
20.86	12.73	9.83	AnnalyCap	NLY	10.0	5	12.05	0.05
7.45	35.74	24.61	AnteroMidstream	AM	3.6	24	33.18	0.23
-8.63	28.30	19.51	AnteroResources	AR	...	dd	21.61	0.20
30.85	194.94	114.85	Anthem	ANTM	1.4	18	188.13	0.96
19.21	137.28	105.35	Aon	AON	1.1	26	132.95	0.11
-24.48	69	45.15	Apache	APA	2.1	dd	47.93	0.48
-5.46	47.91	39.66	ApartmtInv	AIV	3.4	357	42.97	0.28
36.62	28.42	14.25	ApolloGlobalMgmt	APO	7.4	9	26.45	0.07
10.85	35.83	28.03	AquaAmerica	WTR	2.3	26	33.30	-0.05
14.73	41.72	32.73	Aramark	ARMK	1.0	32	40.98	0.29
3.79	28.11	13.53	ArcelorMittal	MT	...	2	22.73	0.38
-9.35	47.88	40.40	ArcherDaniels	ADM	3.1	17	41.38	0.75
22.17	30.69	16.75	Arconic	ARNC	1.1	...	22.65	-0.17
54.79	162.97	62.21	AristaNetworks	ANET	...	49	149.79	-0.16
9.99	80.34	58.52	ArrowElec	ARW	...	14	78.42	0.03
11.66	106.02	78.50	Assurant	AIZ	2.0	13	103.69	-0.51
24.78	35.60	25.55	AstraZeneca	AZN	...	28	34.09	-0.03
3.38	55.10	43.25	Athene	ATH	...	9	49.61	0.09
11.87	85.61	68.51	AtmosEnergy	ATO	2.2	22	82.95	0.20
-2.96	116.99	93.31	Autoliv	ALV	2.2	17	109.80	0.84
-27.77	819.54	557.77	AutoZone	AZO	...	13	570.46	10.79
8.48	199.52	158.32	Avalonbay	AVB	3.0	26	192.17	0.16
16.55	46.74	35.42	Avangrid	AGR	3.9	21	44.15	-0.14
25.85	89.51	68.55	AveryDennison	AVY	2.0	23	88.37	0.23
17.79	34.10	24.27	AxaltaCoating	AXTA	...	119	32.04	-0.01
-3.42	49.88	33.72	BB&T	BBT	2.6	18	45.41	-0.20
4.16	49.03	41.83	BCE	BCE	4.7	18	45.04	-0.06
-0.53	41.79	27.45	BHPBilliton	BHP	4.5	39	35.59	-0.02
-2.23	37.44	23.96	BHPBilliton	BBL	5.2	33	30.76	-0.15
-7.30	38.68	32.50	BP	BP	6.9	57	34.65	-0.21
-20.12	18.12	10.60	BRF	BRFS	...	dd	11.79	0.15
-15.72	27.83	18.06	BT Group	BT	7.0	15	19.41	0.17
-16.10	68.59	43.09	BakerHughes	BHI	1.2	dd	54.51	0.99
12.46	42.73	34.34	Ball	BLL	0.9	30	42.21	0.18
23.49	8.70	5.24	BancoBilbaoViz	BBVA	6.8	13	8.36	-0.15
10.62	79.84	62.62	BancodeChile	BCH	3.4	15	77.93	0.22
43.26	97.86	61.12	BancoMacro	BMA	0.8	12	92.19	2.17
16.19	25.85	18.98	BcoSantChile	BSAC	4.1	16	25.41	0.18
29.15	6.99	3.63	BancoSantander	SAN	3.6	14	6.69	-0.09
21.46	47.20	31.98	BanColombia	CIB	2.8	10	44.55	0.23
9.77	25.80	12.45	BankofAmerica	BAC	1.2	15	24.26	-0.06
2.11	78	62.32	BankofMontreal	BMO	3.6	12	73.44	...
7.68	51.59	36.50	BankNY Mellon	BK	1.5	16	51.02	0.01
7.99	62.89	47.91	BkNovaScotia	BNS	3.7	13	60.13	-0.16
-3.73	12.05	6.85	Barclays	BCS	3.8	22	10.59	-0.05
i 40.71	316.95	203.63	Bard CR	BCR	0.3	40	316.11	1.22
-0.44	23.47	13.80	BarrickGold	ABX	0.8	13	15.91	0.01
36.54	61.52	43.13	BaxterIntl	BAX	1.1	18	60.54	0.38
i 17.86	196.59	161.29	BectonDickinson	BDX	1.5	32	195.11	1.88
4.00	73.17	55.55	Berkley	WRB	0.8	15	69.17	-0.05
4.33	266445	211500	BerkHathwy A	BRK/A	...	19	254700	799.00
3.92	177.86	140.95	BerkHathwy B	BRK/B	...	19	169.37	0.07
16.99	58.95	38.19	BerryGlobal	BERY	...	25	57.01	0.46
34.36	61.95	29.79	BestBuy	BBY	2.4	15	57.33	0.07
24.16	230.40	140.53	Bio-RadLab A	BIO	...	241	226.31	2.15
22.85	226.10	141.01	Bio-RadLab B	BIO/B	...	239	225	-1.10
8.33	42.20	34	BlackKnightFin	BKFS	...	60	40.95	0.35
11.00	430.84	329.58	BlackRock	BLK	2.4	21	422.41	-0.83
23.38	33.93	22.45	BlackstoneGroup	BX	10.4	17	33.35	0.08
34.45	31.61	19.85	BlockHR	HRB	3.1	15	30.91	0.03
3.74	18.95	15.97	BoardwalkPipe	BWP	2.2	14	18.01	0.28
27.02	204.39	123.96	Boeing	BA	2.9	24	197.75	0.29
7.40	45.05	27.63	BorgWarner	BWA	1.3	65	42.36	1.12
-2.19	144.02	113.69	BostonProperties	BXP	2.4	46	123.02	-0.16
28.16	28.51	19.67	BostonScientific	BSX	...	87	27.72	-0.10
-2.31	23.15	10.91	Braskem	BAK	3.8	13	20.72	0.20
-4.65	77.12	46.01	Bristol-Myers	BMY	2.8	19	55.72	-0.10
-26.78	29.14	17.35	BrixmorProp	BRX	5.8	19	17.88	-0.57
13.97	78	59.86	BroadridgeFinl	BR	1.7	30	75.56	0.48
18.78	40.09	32.04	BrookfieldMgt	BAM	1.4	24	39.21	-0.39
22.23	41.55	29.61	BrookfieldInfr	BIP	4.3	44	40.91	-0.07
-3.99	45.77	35.81	Brown&Brown	BRO	1.3	23	43.07	-0.50
6.59	60.28	45.17	Brown-Forman A	BF/A	1.5	29	49.30	-0.41
8.19	59.71	43.72	Brown-Forman B	BF/B	1.5	29	48.60	-0.15
15.02	63.82	42.02	Brunswick	BC	1.1	21	62.73	0.10
-3.37	75.10	59.73	BuckeyePtrs	BPL	7.8	16	63.93	0.94
3.27	83.75	57.11	Bunge	BG	2.5	20	74.60	1.01
8.54	104.07	66.22	BurlingtonStores	BURL	...	28	91.99	0.16
18.13	24.75	13.72	CBD Pao	CBD	0.1	dd	19.55	0.10
15.59	37.47	24.11	CBRE Group	CBG	...	20	36.40	-0.25
-0.01	71.07	49.92	CBS A	CBS/A	1.1	58	64.81	-0.19
0.25	70.09	48.88	CBS B	CBS	1.1	57	63.78	0.23
-11.18	37.17	20.77	CF Industries	CF	4.3	dd	27.96	0.53
6.33	51.88	42.09	CGI Group	GIB	...	14	51.07	0.07
14.10	49.54	30	CIT Group	CIT	1.2	dd	48.70	0.19
11.12	48.37	38.78	CMS Energy	CMS	2.9	22	46.25	-0.08
i 17.47	48.95	30.28	CNA Fin	CNA	2.1	13	48.75	0.39
-11.74	138.36	108.05	CNOOC	CEO	5.4	1618	109.41	0.65
3.57	16.87	12.64	CPFLEnergia	CPL	1.7	31	15.95	0.01
3.17	38.04	27.02	CRH	CRH	2.8	22	35.47	-0.11
1.96	98.66	69.30	CVS Health	CVS	2.5	17	80.46	0.19
7.36	26.74	20.02	CabotOil	COG	0.8	dd	25.08	0.26
23.41	17.37	11.92	CAE	CAE	1.4	19	17.24	0.20
1.71	90.91	75.36	CamdenProperty	CPT	3.5	18	85.51	-0.40
-13.76	67.89	51.64	CampbellSoup	CPB	2.7	33	52.15	0.16
-0.54	92.22	72.62	CIBC	CM	4.6	7	81.16	-0.21
20.25	82.65	58.21	CanNtlRlwy	CNI	1.5	23	81.05	-0.04
-9.54	35.28	27.52	CanNaturalRes	CNQ	2.8	232	28.84	-0.44
12.64	161.67	127.02	CanPacRlwy	CP	1.0	16	160.81	0.53
20.90	35.91	27.18	Canon	CAJ	4.2	23	34.02	0.14
-5.30	96.92	59.66	CapitalOne	COF	1.9	13	82.62	1.15
8.27	85.52	62.70	CardinalHealth	CAH	2.4	19	77.92	-0.33
-13.50	116.40	93.47	Carlisle	CSL	1.5	26	95.40	1.32
-2.07	69.11	47	CarMax	KMX	...	18	63.06	0.80
25.95	67.30	43.06	Carnival	CCL	2.4	17	65.57	0.42
29.17	67.21	43.79	Carnival	CUK	2.4	18	66.12	0.47
15.87	108.18	73.46	Caterpillar	CAT	2.9	dd	107.46	1.82
20.57	96.97	60.59	Celanese A	CE	1.9	17	94.94	1.35
i 22.00	9.43	5.50	Cemex	CX	...	14	9.42	0.12
-51.29	16.82	6.76	CenovusEnergy	CVE	2.0	dd	7.37	0.09
41.36	85.80	50	Centene	CNC	...	25	79.88	-0.07
11.12	29.08	21.83	CenterPointEner	CNP	3.9	25	27.38	-0.08
0.42	33.45	22.33	CenturyLink	CTL	9.0	23	23.88	-0.30
71.66	**46.02**	**5.82**	**Chemours**	**CC**	**0.3**	**70**	**37.92**	**2.40**
-11.36	119	97.53	Chevron	CVX	4.1	68	104.33	0.21
36.91	30.90	21.38	ChinaEastrnAir	CEA	...	13	30.60	0.93
19.19	16.58	10.38	ChinaLifeIns	LFC	1.1	29	15.34	0.15
1.26	63.89	51.73	ChinaMobile	CHL	3.0	13	53.09	0.40
10.67	84.88	67.82	ChinaPetrol	SNP	6.3	11	78.60	0.44
61.03	43.35	25.60	ChinaSoAirlines	ZNH	1.8	14	41.40	0.50
3.90	53.87	44.27	ChinaTelecom	CHA	2.8	15	47.93	-0.04
29.52	15.15	10.01	ChinaUnicom	CHU	1.7	233	14.96	0.12
10.28	499	352.96	Chipotle	CMG	...	126	416.10	-3.08
10.04	148.32	121.48	Chubb	CB	2.0	14	145.38	0.41
11.63	38.47	31.28	ChunghwaTelecom	CHT	4.6	23	35.22	0.05
17.40	54.18	42.55	Church&Dwight	CHD	1.5	28	51.88	0.07
25.49	173.21	115.03	Cigna	CI	0.0	22	167.39	0.69
-30.82	146.96	91.22	CimarexEnergy	XEC	0.3	dd	94.01	-0.24
12.54	67.75	40.03	Citigroup	C	1.0	13	66.88	-0.10
0.14	39.75	18.58	CitizensFin	CFG	1.6	16	35.68	0.03
11.01	141.76	111.24	Clorox	CLX	2.5	26	133.24	0.02
35.18	47.76	34.07	Coach	COH	2.9	26	47.34	0.48
8.18	46.06	39.88	Coca-Cola	KO	3.3	31	44.85	0.02
29.52	41.56	30.55	Coca-Cola Euro	CCE	2.2	28	40.67	0.11
33.25	85.49	59.44	Coca-Cola Femsa	KOF	2.1	25	84.67	1.55
13.28	77.27	63.43	Colgate-Palmolive	CL	2.2	27	74.13	0.01
-5.56	16.09	9.70	ColonyNorthStar	CLNS	7.7	479	14.09	0.12
7.53	75.30	38.39	Comerica	CMA	1.4	21	73.24	0.45
9.68	11.22	7.75	SABESP	SBS	...	7	9.52	0.17
-9.58	41.68	33.08	ConagraBrands	CAG	2.2	24	35.76	-0.32
-8.35	147.55	112.73	ConchoRscs	CXO	...	111	121.53	0.89
-12.33	53.17	38.80	ConocoPhillips	COP	2.4	dd	43.96	-0.12
9.69	85.13	68.76	ConEd	ED	3.4	19	80.82	-0.01
26.36	197.41	144	ConstBrands A	STZ	1.1	27	193.73	0.94
27.02	195.31	147.95	ConstBrands B	STZ/B	1.0	27	194.60	0.45
-37.27	60.30	30.18	ContinentalRscs	CLR	...	dd	32.33	0.55
36.87	248.50	158.73	Cooper	COO	0.0	36	239.42	2.30
23.82	30.59	19.78	Corning	GLW	2.1	8	30.05	-0.32
2.46	30.13	16.95	Coty	COTY	2.7	dd	18.76	-0.14
13.64	185.10	144.23	Credicorp	BAP	2.1	13	179.39	-1.15
2.03	16.17	10.01	CreditSuisse	CS	4.9	dd	14.60	-0.13
-43.71	17.22	7.50	CrescentPoint	CPG	3.5	dd	7.65	-0.03
-8.02	28.30	18.50	CrestwoodEquity	CEQP	10.2	dd	23.50	0.45
15.45	104.68	79.38	CrownCastle	CCI	3.8	86	100.18	0.15
i 13.49	59.82	49.14	CrownHoldings	CCK	...	16	59.66	0.64
6.44	99.20	59	Cullen/Frost	CFR	2.4	19	93.91	-0.21
18.69	164.23	107.51	Cummins	CMI	2.5	19	162.22	2.10
7.39	111.35	89.66	DTE Energy	DTE	3.1	19	105.79	-0.13
10.82	80.83	64.06	DXC Tech	DXC	...	dd	76.72	-1.82
8.41	88.01	75.71	Danaher	DHR	0.7	26	84.39	0.36
24.37	95.22	59.50	Darden	DRI	2.8	24	90.44	-1.32
0.87	78.77	54.50	DaVita	DVA	...	11	64.76	0.70
19.94	128.37	76.73	Deere	DE	1.9	22	123.59	1.68
11.17	69.72	42.02	DellTechnologies	DVMT	...	dd	61.11	0.31
30.14	90.05	58.97	DelphiAutomotive	DLPH	1.3	20	87.65	1.22
9.25	54.53	34.08	DeltaAir	DAL	1.5	10	53.74	-0.13
10.09	19.48	9.99	DeutscheBank	DB	1.1	dd	17.79	-0.28
-30.00	50.69	29.89	DevonEnergy	DVN	0.8	58	31.97	0.16
15.29	123.48	99.46	Diageo	DEO	2.0	24	119.83	-0.31
14.95	121.53	85.63	DigitalRealty	DLR	3.3	48	112.95	0.02
-13.73	74.33	51.67	DiscoverFinSvcs	DFS	1.9	11	62.19	0.68
1.95	116.10	90.31	Disney	DIS	1.5	19	106.25	0.54
-2.67	96.88	65.97	DollarGeneral	DG	1.4	16	72.09	1.25
0.05	81.65	69.51	DominionEner	D	3.9	21	76.63	-0.43
32.84	221.58	130.96	Domino's	DPZ	0.9	45	211.53	0.78
8.22	48.91	33.35	Donaldson	DCI	1.5	27	45.54	0.56
4.51	40.79	33.78	DouglasEmmett	DEI	2.4	66	38.21	0.01
7.06	84.40	65.50	Dover	DOV	2.2	22	80.22	1.44
10.22	65.47	47.51	DowChemical	DOW	2.9	17	63.07	0.36
0.49	99.47	81.05	DrPepperSnap	DPS	2.5	20	91.11	0.21
-6.93	54.73	37.03	DrReddy'sLab	RDY	0.7	39	42.14	1.01
9.96	83.93	61.12	DuPont	DD	1.9	30	80.71	0.25
7.69	87.49	72.34	DukeEnergy	DUK	4.1	27	83.59	-0.44
5.23	29.25	22.96	DukeRealty	DRE	2.7	29	27.95	0.30
-6.76	34.62	26.15	ENI	E	5.8	209	30.06	-0.33
-10.46	109.37	78.04	EOG Rscs	EOG	0.7	dd	90.52	0.52
-10.41	79.64	49.63	EQT	EQT	0.2	dd	58.59	-0.42
-2.67	82.99	69.20	EQT Midstream	EQM	4.8	14	74.63	0.27
11.67	86.28	62.70	EastmanChem	EMN	2.4	14	83.99	0.59
16.01	79.31	58.27	Eaton	ETN	2.0	18	77.83	1.20
12.99	49.03	34.16	EatonVance	EV	2.4	21	47.32	0.06
13.25	134.89	110.65	Ecolab	ECL	1.1	31	132.75	1.30
0.44	10.36	7.65	Ecopetrol	EC	...	26	9.09	0.17
8.61	82.82	67.44	EdisonInt	EIX	2.8	18	78.19	0.03
26.19	121.75	81.12	EdwardsLife	EW	...	39	118.24	1.01
6.94	64.36	49.22	EmersonElectric	EMR	3.2	27	59.62	1.24
-37.21	26.36	14.68	EnbridgeEnPtrs	EEP	8.8	dd	16	0.16
-5.48	45.77	37.37	Enbridge	ENB	4.5	35	39.81	-0.11
-25.04	13.85	7.34	Encana	ECA	0.7	dd	8.80	0.06
14.86	10.77	7.67	EnelAmericas	ENIA	3.8	25	9.43	0.10
16.46	27.82	18.35	EnelGenChile	EOCC	8.5	9	22.64	0.21
-6.99	20.05	13.45	EnergyTrfrEquity	ETE	6.3	21	17.96	0.17
-15.11	31.49	18.31	EnergyTransfer	ETP	10.5	9	20.39	0.20
-7.93	19.89	15.07	EnLinkMidPtrs	ENLK	9.2	dd	16.96	0.26
4.49	82.08	66.71	Entergy	ETR	4.5	dd	76.77	-0.11
0.15	30.25	24.01	EnterpriseProd	EPD	6.1	22	27.08	0.24
-0.98	81.34	53.12	EnvisionHlthcr	EVHC	...	dd	62.67	0.51
16.23	144.01	110.87	Equifax	EFX	1.1	31	137.42	0.27
19.75	87.76	65.87	EquityLife	ELS	2.3	44	86.34	0.70
2.28	71.53	58.28	EquityResdntl	EQR	3.1	51	65.83	-0.47
10.65	268.97	200.01	EssexProp	ESS	2.7	33	257.27	-2.91
25.48	98.40	75.30	EsteeLauder	EL	1.4	32	95.98	0.36
17.65	259.94	176.51	EverestRe	RE	2.0	9	254.59	-0.57
9.92	63.34	50.56	EversourceEner	ES	3.1	20	60.71	0.01
1.63	37.70	29.82	Exelon	EXC	3.6	17	36.07	0.23
0.98	94.49	68.09	ExtraSpaceSt	EXR	4.0	28	78	0.47
-10.56	95.55	79.26	ExxonMobil	XOM	3.8	34	80.73	0.03
29.15	77.38	43.26	FMC	FMC	0.9	278	73.05	-0.31
1.68	183.64	150.95	FactSet	FDS	1.3	19	166.18	-3.39
-11.06	171.08	120.50	FederalRealty	FRT	3.1	41	126.39	-1.32
i 16.72	218.36	150	FedEx	FDX	0.9	20	217.33	2.10
16.56	11.65	5.45	FiatChrysler	FCAU	...	8	10.63	-0.04
5.72	11.95	5.79	FibriaCelulose	FBR	...	19	10.16	-0.17
i 32.01	45.18	31.64	FidelityNatlFin	FNF	2.2	24	44.83	0.19
15.33	16.05	11	FNFV Group	FNFV	...	8	15.80	0.15
12.90	87.32	73.25	FidelityNtlInfo	FIS	1.4	43	85.40	0.59
57.54	55.28	27.58	58.com	WUBA	...	1652	44.11	-0.29
28.26	19.01	10.40	FirstData	FDC	...	32	18.20	-0.22
8.64	103.69	65.99	FirstRepBank	FRC	0.7	25	100.10	-0.46
-5.84	36.60	27.93	FirstEnergy	FE	4.9	dd	29.16	0.34
1.90	176.42	121.52	FleetCorTech	FLT	...	30	144.21	-1.79
-3.37	52.10	39.13	Flowserve	FLS	1.6	50	46.43	0.72
-12.83	58.37	43.65	Fluor	FLR	1.8	27	45.78	0.71
29.04	100.57	73.45	FomentoEconMex	FMX	1.4	31	98.34	1.48
-30.48	79.43	44.87	FootLocker	FL	2.5	10	49.28	0.58
-7.75	14.04	10.67	FordMotor	F	5.4	12	11.19	0.02
15.98	24.73	17.79	ForestCity A	FCE/A	1.5	dd	24.17	0.02

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BIGGEST 1,000 STOCKS

Continued From Page B5

YTD %Chg	52-Week Hi	52-Week Lo	Stock	Sym	Yld %	PE	Last	Net Chg
-17.47	17.68	12.61	NY CmntyBcp	NYCB	5.2	14	13.13	-0.11
20.09	55.45	43.43	NewellBrands	NWL	1.7	23	53.62	0.60
-29.73	50	27.22	NewfieldExpln	NFX	...	dd	28.46	-0.14
-4.93	46.07	30.19	NewmontMining	NEM	0.6	dd	32.39	0.16
17.30	144.87	110.49	NextEraEnergy	NEE	2.8	17	140.13	0.16
-7.84	55.94	36.96	NielsenHoldings	NLSN	3.5	30	38.66	0.09
16.07	60.33	49.01	Nike	NKE	1.2	24	59	5.83
14.54	26.94	21.17	NiSource	NI	2.8	23	25.36	-0.03
-25.64	42.03	27.66	NobleEnergy	NBL	1.4	dd	28.30	-0.35
28.07	6.65	4.04	Nokia	NOK	3.1	dd	6.16	-0.01
2.37	6.80	3.38	NomuraHoldings	NMR	...	10	6.04	-0.02
-0.21	62.82	36.79	Nordstrom	JWN	3.1	23	47.83	0.27
12.61	125.31	83.23	NorfolkSouthern	NSC	2.0	21	121.70	2.18
10.37	262.59	206.69	NorthropGrumman	NOC	1.6	20	256.71	1.83
14.59	86.90	66.93	Novartis	NVS	3.3	31	83.47	-0.72
19.60	57.41	30.89	NovoNordisk	NVO	1.6	19	42.89	0.48
-2.77	68	44.81	Nucor	NUE	2.6	18	57.87	-0.30
-6.37	55.64	42.40	NuSTAREnergy	NS	9.4	39	46.63	0.70
4.01	37.41	29.57	OGE Energy	OGE	3.5	20	34.79	-0.11
-9.14	59.47	42.79	ONEOK	OKE	4.7	31	52.16	0.64
18.74	57.41	36.13	ONEOK Partners	OKS	6.2	22	51.07	0.32
-15.95	78.48	57.20	OccidentalPetrol	OXY	5.1	dd	59.87	0.07
-22.66	4.78	2.15	Och-Ziff	OZM	3.1	dd	2.56	0.06
5.63	38.09	28.11	OmegaHealthcare	OHI	7.6	16	33.02	0.06
-2.60	89.66	78.67	Omnicom	OMC	2.7	17	82.90	-0.43
30.40	51.85	37.62	Oracle	ORCL	1.5	23	50.14	-0.06
5.55	17.63	13.98	Orange	ORAN	5.6	65	15.98	-0.05
12.12	105.09	67.04	OrbitalATK	OA	1.3	20	98.36	1.65
0.13	82.58	62.12	Orix	IX	...	8	77.93	-0.97
29.79	67.74	46.45	OwensCorning	OC	1.2	18	66.92	0.51
9.22	70.32	57.60	PG&E	PCG	3.2	18	66.37	0.27
28.17	46.13	25.50	PLDT	PHI	3.2	20	35.31	0.30
6.76	131.83	77.86	PNC Fin	PNC	1.8	16	124.87	-0.38
19.11	66.63	42.66	POSCO	PKX	...	12	62.59	1.22
16.04	113.49	89.64	PPG Ind	PPG	1.5	66	109.96	0.31
13.54	40.20	32.08	PPL	PPL	4.1	14	38.66	...
26.88	115.86	84.53	PVH	PVH	0.1	24	114.50	0.72
31.33	113.52	65.12	PackagingCpAm	PKG	2.3	23	111.39	-0.16
7.01	165.69	107.31	PaloAltoNtwks	PANW	...	dd	133.81	-0.89
-9.83	33.40	24.65	ParkHotels	PK	6.4	2	26.96	-0.02
14.16	166.60	105	ParkerHannifin	PH	1.7	23	159.82	2.77
-21.25	39.82	25.17	ParsleyEnergy	PE	...	dd	27.75	0.55
-10.21	13.07	7.04	Pearson	PSO	9.7	dd	8.97	...
5.75	33.56	27.44	PembinaPipeline	PBA	4.6	26	33.12	0.11
18.67	69.03	53.80	Pentair	PNR	2.1	24	66.54	0.92
10.38	118.24	98.50	PepsiCo	PEP	2.8	25	115.49	0.31
30.66	68.91	45.35	PerkinElmer	PKI	0.4	33	68.14	0.41
-9.26	99.14	65.47	Perrigo	PRGO	0.8	dd	75.52	-0.40
-16.85	81.80	61.07	PetroChina	PTR	1.8	28	61.28	-0.34
-20.97	12.55	6.62	PetroleoBrasil	PBR	...	dd	7.99	0.12
-15.32	11.77	5.33	PetroleoBrasilA	PBR/A	...	dd	7.46	0.10
3.42	37.39	29.83	Pfizer	PFE	3.8	28	33.59	-0.04
28.37	123.55	86.78	PhilipMorris	PM	3.5	26	117.45	0.37
-4.31	88.87	73.67	Phillips66	PSX	3.4	26	82.69	0.82
11.13	66.67	45.62	PinnacleFoods	PF	1.9	34	59.40	-0.59
9.14	89.56	70.86	PinnacleWest	PNW	3.1	21	85.16	-0.03
-11.38	199.83	147.21	PioneerNatRscs	PXD	0.1	dd	159.58	1.11
-18.64	33.95	23.21	PlainsAllAmPipe	PAA	8.4	29	26.27	0.26
-24.57	36.59	23.33	PlainsGP	PAGP	8.4	dd	26.16	0.42
11.94	99	70.14	PolarisIndustries	PII	2.5	37	92.23	0.54
-9.89	20.27	15.21	Potash	POT	2.5	25	16.30	0.04
13.11	138.69	110.12	Praxair	PX	2.4	25	132.55	0.88
10.73	66.12	38.84	PrincipalFin	PFG	2.9	14	60.47	-0.46
3.65	92	81.18	Procter&Gamble	PG	3.2	25	87.15	0.16
24.20	45.03	30.54	Progressive	PGR	1.5	21	44.09	-0.06
11.08	59.49	45.93	Prologis	PLD	3.0	26	58.64	-0.05
3.92	114.55	67.51	PrudentialFin	PRU	2.8	11	108.14	-0.24
15.63	46.85	29.59	Prudential	PUK	3.5	23	46.01	-0.16
-1.98	46.81	39.28	PublicServiceEnt	PEG	4.0	41	43.01	0.09
-6.70	260.83	200.65	PublicStorage	PSA	3.8	30	208.53	0.96
33.46	24.73	17.69	PulteGroup	PHM	1.5	13	24.53	0.47
20.96	111.87	79.12	QuestDiag	DGX	1.6	22	111.16	0.62
17.69	91.81	65	QuintilesIMS	Q	...	81	89.50	0.08
23.39	21.19	14.92	RELX	RENX	3.3	28	20.68	0.13
21.87	22.19	16.19	RELX	RELX	3.0	29	21.90	0.25
1.34	56.48	46.25	RPM	RPM	2.2	36	54.55	0.30
-18.29	114	66.06	RalphLauren	RL	2.7	dd	73.80	0.49
-32.57	45.76	20.95	RangeResources	RRC	0.3	dd	23.17	-0.42
15.81	82.59	46.30	RaymondJames	RJF	1.1	21	80.22	-0.28
13.72	165.32	132.89	Raytheon	RTN	2.0	21	161.48	1.85
-4.00	72.30	52.72	RealtyIncome	O	4.6	48	55.18	-0.59
37.37	100.80	68.54	RedHat	RHT	...	66	95.75	0.24
-9.15	85.35	58.63	RegencyCtrs	REG	3.4	183	62.64	-0.34
1.95	16.03	7.80	RegionsFin	RF	1.9	16	14.64	-0.02
2.03	132.79	92.21	ReinsuranceGrp	RGA	1.3	11	128.39	-0.53
2.08	150.74	114.34	RenaissanceRe	RNR	0.9	13	139.05	-1.22
11.71	65.34	49.18	RepublicServices	RSG	2.0	34	63.73	0.50
25.50	79.44	56.59	ResMed	RMD	1.7	34	77.87	0.78
31.22	62.94	40.84	RestaurantBrands	QSR	1.2	33	62.54	0.70
16.06	67.81	43.38	ReynoldsAmer	RAI	3.1	28	65.04	0.03
24.73	29.36	18.30	RiceEnergy	RICE	...	dd	26.63	-0.16
10.01	47.11	29.62	RioTinto	RIO	5.9	18	42.31	0.47
-1.74	50.98	34.42	RobertHalf	RHI	2.0	18	47.93	0.16
20.51	165.39	110.89	Rockwell	ROK	1.9	27	161.96	3.14
13.28	109.30	78.54	RockwellCollins	COL	1.3	19	105.08	0.91
22.37	48.74	37.03	RogersComm B	RCI	3.1	27	47.21	-0.30
20.52	43.75	27.29	Rollins	ROL	1.1	51	40.71	0.29
26.46	235.50	159.28	RoperTech	ROP	0.6	36	231.53	1.62
7.10	76.01	58.21	RoyalBkCanada	RY	3.6	10	72.52	-0.26
18.08	7.06	3.91	RoyalBkScotland	RBS	...	dd	6.53	-0.09
33.14	115.63	65.10	RoyalCaribbean	RCL	1.8	17	109.23	-0.04
-2.19	56.39	46.57	RoyalDutchA	RDS/A	7.1	30	53.19	...
-6.11	59.56	49.56	RoyalDutchB	RDS/B	6.9	31	54.43	-0.18
21.10	108.72	73.33	SAP	SAP	1.3	32	104.67	0.79
35.75	150.40	104.75	S&P Global	SPGI	1.1	17	145.99	-0.05
-1.15	64.80	44.95	SINOPECShanghai	SHI	6.8	6	53.51	0.43
22.82	26.07	20.38	SK Telecom	SKM	...	11	25.67	0.27
-1.63	120.63	93.90	SLGreenRealty	SLG	2.9	48	105.80	0.08
26.50	91.99	66.43	Salesforce.com	CRM	...	433	86.60	-0.20
18.47	50.24	36.81	Sanofi	SNY	3.4	24	47.91	-0.25
-2.24	32.40	24.85	Sasol	SSL	2.7	17	27.95	0.28
-8.56	76.41	64.20	Scana	SCG	3.7	16	67.01	-0.60
-21.57	87.84	65.10	Schlumberger	SLB	3.0	dd	65.84	0.46
8.84	44.10	23.82	SchwabC	SCHW	0.7	31	42.96	-0.05
-1.28	50.62	41.74	SealedAir	SEE	1.4	26	44.76	-0.11
12.03	117.97	92.95	SempraEnergy	SRE	2.9	20	112.75	-0.24
9.68	45.30	33.81	SensataTech	ST	...	27	42.72	0.34
17.78	33.56	24.90	ServiceCorp	SCI	1.8	21	33.45	0.25
42.59	110.66	64.31	ServiceNow	NOW	...	dd	106	0.18
8.62	23.31	18.67	ShawComm B	SJR	4.1	21	21.79	-0.22
30.59	362.57	239.48	SherwinWilliams	SHW	1.0	28	350.96	-1.68
15.54	45.37	31.54	ShinhanFin	SHG	...	8	43.49	-0.10
102.71	100.80	30	Shopify	SHOP	...	dd	86.90	0.50
-8.95	229.10	150.15	SimonProperty	SPG	4.3	29	161.76	-0.82
-0.58	65.19	47.61	SixFlags	SIX	4.3	53	59.61	-0.83
18.97	57.58	42.88	SmithAO	AOS	1.0	29	56.33	0.38
15.86	35.82	26.96	Smith&Nephew	SNN	2.1	21	34.85	0.17
-7.60	157.31	117.47	Smucker	SJM	2.5	23	118.33	0.31
-27.41	29.44	17	Snap	SNAP	...	dd	17.77	-0.12
-7.75	181.73	145.17	SnapOn	SNA	1.8	17	158	1.49
15.25	37.47	24.18	SOQUIMICH	SQM	2.4	26	33.02	-0.21
36.25	38.94	27.72	Sony	SNE	...	74	38.19	-0.09
-2.66	54.64	46.20	Southern	SO	4.8	18	47.88	-0.41
8.42	39.50	24.90	SoCopper	SCCO	1.4	29	34.63	-0.14
24.68	62.75	35.42	SouthwestAirlines	LUV	0.8	19	62.14	0.33
-6.41	49.45	40.19	SpectraEnerPtrs	SEP	6.5	15	42.90	-0.85
2.22	146.09	113.95	SpectrumBrands	SPB	1.3	24	125.04	0.69
-0.70	62.90	41.27	SpiritAeroSys	SPR	0.7	16	57.94	0.67
-2.49	9.65	4.36	Sprint	S	...	dd	8.21	0.06
72.12	24.97	8.78	Square	SQ	...	dd	23.46	0.06
22.70	143.85	110.44	StanleyBlackDck	SWK	1.6	18	140.73	1.10
2.00	23.46	20.25	StarwoodProp	STWD	8.6	13	22.39	-0.03
15.45	91.43	51.22	StateStreet	STT	1.7	17	89.73	0.09
-9.37	19.27	14.98	Statoil	STO	5.3	dd	16.53	-0.07
20.94	83.54	63.80	Steris	STE	1.4	64	81.50	-0.13
26.70	17.34	5.26	STMicroelec	STM	1.7	56	14.38	0.02
15.83	145.62	106.48	Stryker	SYK	1.2	31	138.78	-0.03
2.88	8.30	5.43	SumitomoMits	SMFG	...	8	7.86	0.04
14.46	91.37	69.90	SunCommunities	SUI	3.1	209	87.69	0.07
-6.93	40.57	30.38	SunLifeFinancial	SLF	3.5	9	35.75	0.29
-10.68	33.79	25.70	SuncorEnergy	SU	3.2	32	29.20	-0.23
3.41	61.69	38.75	SunTrustBanks	STI	1.8	15	56.72	-0.10
-17.78	38.05	24.83	SynchronyFin	SYF	1.7	11	29.82	0.27
17.20	93.61	74.52	Syngenta	SYT	1.1	36	92.65	0.08
7.69	44.76	27.25	SynovusFin	SNV	1.4	21	44.24	-0.17
-9.10	57.07	47.15	Sysco	SYY	2.6	26	50.33	0.47
74.35	134	57.63	TAL Education	TAL	...	96	122.31	1.25
13.57	80.70	54.78	TE Connectivity	TEL	2.0	14	78.68	0.59
8.38	34.84	30.31	Telus	TU	4.2	16	34.52	0.15
25.42	16.81	10.02	TIM Part	TSU	...	31	14.80	0.17
-3.94	83.64	68.22	TJX	TJX	1.7	21	72.17	1.09
21.60	36.92	25.75	TaiwanSemi	TSM	3.3	16	34.96	0.15
-19.39	61.83	35.35	TargaResources	TRGP	8.1	dd	45.20	1.37
-27.61	79.33	48.56	Target	TGT	4.7	11	52.29	0.20
-4.01	44.79	31.71	TataMotors	TTM	0.0	20	33.01	-0.32
-23.44	37.09	24	TechnipFMC	FTI	...	...	27.20	-0.02
-13.48	33.76	12.62	TeckRscsB	TECK	1.7	7	17.33	0.05
5.17	10.20	6.95	TelecomItalia	TI	2.8	...	9.35	-0.08
1.65	8.29	5.61	TelecomItalia A	TI/A	4.1	...	7.41	-0.05
28.92	211.22	136.53	Teleflex	TFX	0.7	43	207.76	2.01
0.82	15.69	11.95	TelefonicaBras	VIV	...	19	13.49	...
12.93	11.64	8.15	Telefonica	TEF	4.3	...	10.39	...
15.47	34.65	27.17	TelekmIndonesia	TLK	2.2	17	33.67	0.02
-12.80	37.21	25.19	Tenaris	TS	3.6	123	31.14	0.09
18.23	36.59	18.87	Teradyne	TER	0.9	dd	30.03	-0.27
7.03	95.11	69.49	Tesoro	TSO	2.4	16	93.60	0.36
1.73	60.14	43	TesoroLogistics	TLLP	7.3	30	51.69	1.32
-8.36	56.44	27.59	TevaPharm	TEVA	4.1	260	33.22	0.39
-3.01	50.93	35.06	Textron	TXT	0.2	14	47.10	0.46
23.65	176.92	139.07	ThermoFisherSci	TMO	0.3	32	174.47	0.58
5.73	47.04	39.23	ThomsonReuters	TRI	3.0	23	46.29	-0.15
4.47	115.74	65.97	ThorIndustries	THO	1.3	16	104.52	-0.99
16.59	214.57	163.85	3M	MMM	2.3	25	208.19	0.34
21.23	97.29	58.56	Tiffany	TIF	2.1	26	93.87	1.35
4.02	100.67	72.88	TimeWarner	TWX	1.6	19	100.41	0.63
27.45	39.82	26.19	Toll Bros	TOL	0.8	16	39.51	0.60
3.71	79.53	59.25	Torchmark	TMK	0.8	17	76.50	0.33
23.84	73	43.66	Toro	TTC	1.0	31	69.29	0.26
2.11	54.44	41.73	TorontoDomBk	TD	3.5	10	50.38	0.04
-2.71	54.71	45.05	Total	TOT	5.6	16	49.59	-0.27
18.80	60.64	46.22	TotalSystem	TSS	0.7	32	58.25	0.23
-10.39	123.18	98.48	ToyotaMotor	TM	...	9	105.02	0.68
5.58	49.77	42.69	TransCanada	TRP	3.8	72	47.67	0.07
8.00	294.38	203.72	TransDigm	TDG	...	32	268.87	3.86
40.03	44.88	28.92	TransUnion	TRU	...	48	43.31	-0.39
3.36	129.60	103.45	Travelers	TRV	2.3	12	126.53	0.14
18.84	9.89	6.35	TurkcellIlletism	TKC	3.9	16	8.20	0.07
-17.96	3.80	2.44	TurquoiseHill	TRQ	...	33	2.65	0.05
9.63	25.25	14.12	Twitter	TWTR	...	dd	17.87	0.22
23.04	178.09	139.61	TylerTech	TYL	...	65	175.67	-1.16
1.54	77.05	55.72	TysonFoods	TSN	1.4	13	62.63	1.06
8.36	17.71	11.93	UBS Group	UBS	3.5	17	16.98	-0.13
6.83	40.71	32.79	UDR	UDR	3.2	111	38.97	-0.23
5.06	52	41.79	UGI	UGI	2.1	18	48.41	-0.05
-0.95	30.73	22.19	US Foods	USFD	...	28	27.22	0.42
13.45	24.78	18.38	UltraparPart	UGP	2.3	27	23.53	0.55
-25.09	44.68	18.34	UnderArmour A	UAA	...	55	21.76	0.45
-19.90	42.94	17.05	UnderArmour C	UA	...	51	20.16	0.36
34.61	57.73	38.41	Unilever	UN	2.8	28	55.27	0.46
32.97	56.48	38.58	Unilever	UL	2.8	27	54.12	0.54
5.04	115.15	86.01	UnionPacific	UNP	2.2	21	108.91	1.02
3.25	83.04	37.64	UnitedContinental	UAL	...	12	75.25	-0.19
39.43	2.44	1.74	UnitedMicro	UMC	3.4	19	2.44	0.04
-3.53	120.44	102.12	UPS B	UPS	3.0	28	110.59	0.81
6.75	134.28	61.92	UnitedRentals	URI	...	17	112.71	3.01
1.07	56.61	38.63	US Bancorp	USB	2.2	16	51.92	0.14
-32.93	41.83	15.72	US Steel	X	0.9	dd	22.14	-0.41
11.39	123.09	97.62	UnitedTech	UTX	2.3	19	122.11	0.46
15.86	188.66	132.39	UnitedHealth	UNH	1.6	23	185.42	0.15
14.76	138.77	99.72	UniversalHealthB	UHS	0.3	17	122.08	0.20
6.15	50.27	29.79	UnumGroup	UNM	1.7	11	46.63	0.06
-3.78	11.09	7.44	VEREIT	VER	6.8	dd	8.14	-0.06
7.97	65.25	48.05	VF	VFC	2.9	20	57.60	0.67
20.20	96.60	73.83	Visa	V	0.7	48	93.78	-0.64
25.74	215.82	137.38	VailResorts	MTN	2.1	45	202.83	1.65
14.83	11.70	4.68	Vale	VALE	6.5	10	8.75	0.01
19.15	32.74	8.31	ValeantPharm	VRX	...	dd	17.30	-0.01
-1.26	71.40	46.88	ValeroEnergy	VLO	4.2	15	67.46	0.37
6.24	66.24	52.45	Vantiv	VNTV	...	51	63.34	0.21
29.79	105.30	71.49	VarianMed	VAR	...	33	103.19	0.51
24.96	17.34	7.78	Vedanta	VEDL	14.2	16	15.52	0.16
50.64	68.07	33.86	VeevaSystems	VEEV	...	93	61.31	-0.05
11.13	76.80	56.20	Ventas	VTR	4.5	42	69.48	0.27
-16.34	56.95	44.36	Verizon	VZ	5.2	15	44.66	0.25
-4.18	17.41	10.50	Vipshop	VIPS	...	30	10.55	-0.98
8.32	25.24	13.50	VistraEnergy	VST	...	...	16.79	0.09
11.05	98	56.09	VMware	VMW	...	29	87.43	0.38
-10.03	111.72	86.35	VornadoRealty	VNO	3.0	18	93.90	0.55
-5.94	42.96	22.75	VoyaFinancial	VOYA	0.1	dd	36.89	-0.45
1.22	138.18	105.71	VulcanMaterials	VMC	0.8	41	126.68	-0.33
20.12	128.32	84.48	WABCO	WBC	...	22	127.51	0.46
4.65	66.10	53.66	WEC Energy	WEC	3.4	21	61.38	-0.09
11.71	72.89	55.77	W.P.Carey	WPC	6.1	36	66.01	0.27
10.21	92	65.54	Wabtec	WAB	0.5	30	91.50	1.21
9.49	80.47	65.28	Wal-Mart	WMT	2.7	17	75.68	-0.25
22.95	67.06	47.54	WasteConnections	WCN	0.7	58	64.42	0.29
3.44	74.58	61.08	WasteMgt	WM	2.3	27	73.35	0.33
36.80	187.65	133.35	Waters	WAT	...	28	183.84	1.00
4.10	159.55	128.60	Watsco	WSO	2.7	30	154.20	1.38
119.34	78.21	27.60	Wayfair	W	...	dd	76.88	2.85
30.99	184.88	102.97	WellCareHealth	WCG	...	30	179.56	0.82
0.54	59.99	43.55	WellsFargo	WFC	2.7	14	55.41	-0.37
11.83	80.19	59.39	Welltower	HCN	4.6	48	74.85	0.35
11.42	99.91	70.17	WestPharmSvcs	WST	0.6	39	94.52	0.10
-5.91	57.50	50.35	WestarEnergy	WR	3.0	22	53.02	-0.19
1.58	47.82	35.52	WesternGasEquity	WGP	4.6	28	43.02	0.18
-4.80	67.44	46.85	WesternGasPtrs	WES	6.3	34	55.94	0.30
-12.29	22.70	18.52	WesternUnion	WU	3.7	41	19.05	0.19
18.25	68.08	40.25	WestlakeChem	WLK	1.2	21	66.21	1.11
-0.34	27.05	20.96	WestpacBanking	WBK	5.9	14	23.40	-0.08
11.60	58.62	36.33	WestRock	WRK	2.8	80	56.66	0.35
11.33	35.50	28.58	Weyerhaeuser	WY	3.7	24	33.50	0.43
2.95	31.35	16.94	WheatonPrecMetals	WPM	1.4	31	19.89	0.09
5.42	202.99	145.91	Whirlpool	WHR	2.3	16	191.62	3.58
-2.76	32.69	19.68	Williams	WMB	4.0	dd	30.28	0.48
5.47	42.32	32.93	WilliamsPartners	WPZ	6.0	47	40.11	0.39
7.44	6.24	4.50	Wipro	WIT	0.6	31	5.20	0.07
52.19	49	24.23	WooriBank	WF	2.6	10	48.70	0.34
46.77	104.80	65.79	Workday	WDAY	...	dd	97	0.55
31.48	105.63	62.60	Wyndham	WYN	2.3	17	100.41	-0.29
49.75	65.44	24.02	XPO Logistics	XPO	...	77	64.63	-0.13
12.73	48.50	38	XcelEnergy	XEL	3.1	21	45.88	-0.08
-17.73	41.38	25.84	Xerox	XRX	3.5	dd	28.73	-0.39
11.93	55.68	44.44	Xylem	XYL	1.3	40	55.43	0.53
32.73	26.48	15	YPF	YPF	1.0	dd	21.90	0.29
16.47	75.45	59.41	YumBrands	YUM	1.6	19	73.76	0.31
50.96	42.12	23.77	YumChina	YUMC	...	...	39.43	0.62
15.66	18.45	11.14	ZTO Express	ZTO	...	31	13.96	-0.07
-5.96	35.65	27.16	ZayoGroup	ZAYO	...	258	30.90	...
24.42	133.21	95.63	ZimmerBiomet	ZBH	0.7	53	128.40	0.51
16.53	63.84	46.84	Zoetis	ZTS	0.7	36	62.38	-0.12

NASDAQ

YTD %Chg	52-Week Hi	52-Week Lo	Stock	Sym	Yld %	PE	Last	Net Chg
17.43	22.34	17.30	AGNC Invt	AGNC	10.1	5	21.29	...
31.56	129.85	82.28	Ansys	ANSS	...	39	121.68	1.25
16.14	137.27	92.84	ASML	ASML	1.0	...	130.31	0.71
27.17	147.45	95.14	Abiomed	ABMD	...	124	143.30	3.06
59.43	61.58	35.12	ActivisionBliz	ATVI	0.5	130	57.57	-0.01
37.39	147.45	94.06	AdobeSystems	ADBE	...	49	141.44	0.20
-25.30	71.64	46.81	AkamaiTech	AKAM	...	27	49.81	-0.43
-0.56	145.41	96.18	AlexionPharm	ALXN	...	58	121.67	-0.76
56.16	154.85	80.30	AlignTech	ALGN	...	56	150.12	1.50
4.30	63.40	41.93	Alkermes	ALKS	...	dd	57.97	0.05
113.03	86.92	31.38	AlnylamPharm	ALNY	...	dd	79.76	0.73
17.32	1008.61	699	Alphabet A	GOOGL	...	31	929.68	-8.14
17.74	988.25	688.22	Alphabet C	GOOG	...	31	908.73	-9.06
40.88	57.39	37.06	Altaba	AABA	...	dd	54.48	0.18
29.09	1017	710.10	Amazon.com	AMZN	...	182	968	-7.93
10.66	66.48	54.91	Amdocs	DOX	1.4	23	64.46	0.52
-0.96	399.16	307.80	Amerco	UHAL	...	18	366.06	12.05
7.77	51.95	27.12	AmericanAirlines	AAL	0.8	12	50.32	0.70
17.80	184.21	133.64	Amgen	AMGN	2.7	16	172.23	-0.36
7.13	90.49	54.55	AnalogDevices	ADI	2.3	27	77.80	0.06
24.35	156.65	94.37	Apple

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MARKETS DIGEST

EQUITIES

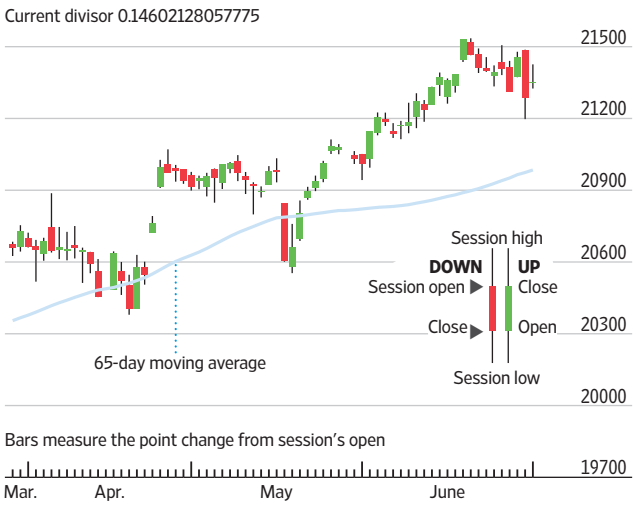
Dow Jones Industrial Average

21349.63 ▲62.60, or 0.29%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio	20.76	19.07
P/E estimate *	18.18	17.08
Dividend yield	2.32	2.57
All-time high	21528.99, 06/19/17	

Current divisor 0.14602128057775

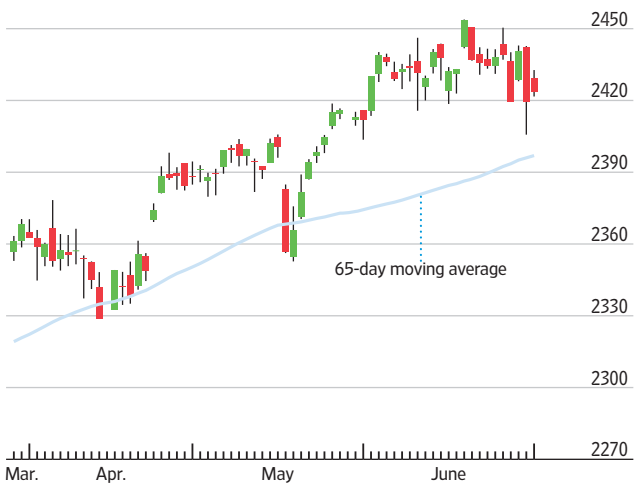


S&P 500 Index

2423.41 ▲3.71, or 0.15%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio	23.87	23.74
P/E estimate *	18.72	17.82
Dividend yield	1.96	2.18
All-time high:	2453.46, 06/19/17	



Nasdaq Composite Index

6140.42 ▼3.93, or 0.06%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio *	25.69	22.62
P/E estimate *	21.01	18.88
Dividend yield	1.13	1.30
All-time high:	6321.76, 06/08/17	

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	21426.12	21325.08	**21349.63**	62.60	0.29	21528.99	17888.28	**18.9**	8.0	**8.3**
Transportation Avg	9606.16	9507.79	**9563.73**	82.29	0.87	9593.95	7557.62	**26.5**	5.7	**5.3**
Utility Average	712.24	706.90	**706.91**	-0.48	-0.07	737.51	625.44	**-1.3**	7.2	**7.1**
Total Stock Market	25219.08	25098.94	**25124.96**	36.94	0.15	25399.65	21498.96	**15.9**	7.9	**6.9**
Barron's 400	648.55	645.24	**646.24**	0.57	0.09	650.48	514.60	**23.8**	7.4	**6.3**
Nasdaq Stock Market										
Nasdaq Composite	6170.63	6129.04	**6140.42**	-3.93	-0.06	6321.76	4822.90	**26.3**	14.1	**11.7**
Nasdaq 100	5681.90	5637.74	**5646.92**	-6.10	-0.11	5885.30	4410.75	**27.3**	16.1	**13.6**
Standard & Poor's										
500 Index	2432.71	2421.65	**2423.41**	3.71	0.15	2453.46	2085.18	**15.2**	8.2	**7.3**
MidCap 400	1753.46	1744.22	**1746.65**	2.62	0.15	1769.34	1476.68	**16.4**	5.2	**6.8**
SmallCap 600	859.37	853.92	**855.85**	0.40	0.05	866.07	700.06	**20.5**	2.1	**7.8**
Other Indexes										
Russell 2000	1420.99	1413.29	**1415.36**	-0.84	-0.06	1425.98	1139.45	**22.4**	4.3	**5.9**
NYSE Composite	11799.46	11738.16	**11761.70**	21.72	0.18	11833.34	10289.35	**11.8**	6.4	**2.3**
Value Line	524.44	521.40	**522.71**	1.08	0.21	529.13	453.96	**13.3**	3.3	**1.2**
NYSE Arca Biotech	3893.27	3845.55	**3859.60**	-22.10	-0.57	4016.86	2834.14	**24.5**	25.5	**11.6**
NYSE Arca Pharma	538.83	535.78	**536.30**	-1.17	-0.22	554.66	463.78	**0.9**	11.4	**0.8**
KBW Bank	96.29	95.20	**95.60**	-0.01	-0.01	99.33	62.34	**48.9**	4.1	**10.3**
PHLX§ Gold/Silver	81.16	80.01	**80.78**	0.49	0.60	112.86	73.03	**-21.2**	2.4	**-7.1**
PHLX§ Oil Service	131.98	129.28	**130.80**	0.32	0.24	192.66	127.17	**-24.0**	-28.8	**-25.1**
PHLX§ Semiconductor	1048.69	1030.51	**1034.91**	-5.51	-0.53	1138.25	672.51	**51.1**	14.2	**17.6**
CBOE Volatility	11.85	10.40	**11.18**	-0.26	-2.27	22.51	9.75	**-24.3**	-20.4	**-1.1**

§Philadelphia Stock Exchange

Sources: SIX Financial Information; WSJ Market Data Group

Late Trading

Most-active and biggest movers among NYSE, NYSE Arca, NYSE MKT and Nasdaq issues from 4 p.m. to 6 p.m. ET as reported by electronic trading services, securities dealers and regional exchanges. Minimum share price of $2 and minimum after-hours volume of 5,000 shares.

Most-active issues in late trading

Company	Symbol	Volume (000)	Last	Net chg	After Hours % chg	High	Low
SPDR S&P 500	SPY	27,157.6	241.89	0.09	**0.04**	242.47	241.40
Oneok Inc	OKE	12,152.2	52.16	...	**unch.**	52.16	51.75
PwrShrs QQQ Tr Series 1	QQQ	11,641.9	137.64	...	**unch.**	141.00	137.45
VanEck Vectors Gold Miner	GDX	9,122.5	22.08	...	**unch.**	22.08	22.04
iShares MSCI Emg Markets	EEM	8,749.8	41.39	...	**unch.**	41.50	41.35
Ford Motor	F	4,836.9	11.21	0.02	**0.18**	11.22	11.19
Rite Aid	RAD	4,097.8	2.92	-0.03	**-1.02**	2.95	2.78
iShares Russell 2000 ETF	IWM	3,595.5	140.92	...	**unch.**	141.17	140.73

Percentage gainers...

Emergent Biosoltns	EBS	9.1	36.26	2.35	**6.93**	36.26	33.91
AECOM	ACM	58.8	33.90	1.57	**4.86**	33.91	32.33
Tanger Factory Outlet Ctr	SKT	41.4	27.00	1.02	**3.93**	27.00	25.98
Halozyme Therapeutics	HALO	43.8	13.30	0.48	**3.74**	13.40	12.82
Omeros Corp	OMER	21.4	20.49	0.59	**2.94**	20.49	19.86

...And losers

A Schulman	SHLM	6.5	27.00	-5.00	**-15.63**	32.00	27.00
Fang Holdings ADR	SFUN	12.6	3.60	-0.11	**-2.96**	3.71	3.49
Quorum Health	QHC	5.7	4.03	-0.12	**-2.96**	4.15	4.03
Halcon Resources	HK	6.1	4.42	-0.12	**-2.64**	4.54	4.42
Ormat Technologies	ORA	9.2	57.17	-1.51	**-2.57**	58.76	57.17

Trading Diary

Volume, Advancers, Decliners

	NYSE	NYSE MKT
Total volume*	951,687,276	11,637,896
Adv. volume*	546,930,160	7,551,974
Decl. volume*	388,100,351	3,318,171
Issues traded	3,097	334
Advances	1,820	176
Declines	1,148	135
Unchanged	129	23
New highs	67	6
New lows	18	3
Closing tick	419	89
Closing Arms†	1.15	0.57
Block trades*	7,062	142

	Nasdaq	NYSE Arca
Total volume*	1,983,732,315	299,594,140
Adv. volume*	887,252,543	183,416,334
Decl. volume*	1,059,709,112	111,635,360
Issues traded	3,022	1,333
Advances	1,419	868
Declines	1,436	432
Unchanged	167	33
New highs	66	18
New lows	23	5
Closing tick	591	12
Closing Arms†	1.18	1.39
Block trades*	9,406	1,584

* Primary market NYSE, NYSE MKT 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**	**2769.39**	–6.25	**–0.23**	9.4
	The Global Dow Euro	**2286.32**	–0.95	**–0.04**	1.2
	DJ Global Index	**359.68**	–0.60	**–0.17**	10.3
World	**DJ Global ex U.S.**	**240.94**	–1.19	**–0.49**	12.6
Americas	**DJ Americas**	**582.63**	0.82	**0.14**	7.8
Brazil	**Sao Paulo Bovespa**	**62899.97**	661.02	**1.06**	4.4
Canada	**S&P/TSX Comp**	**15182.19**	–31.23	**–0.21**	–0.7
Mexico	**IPC All-Share**	**49857.49**	659.37	**1.34**	9.2
Chile	**Santiago IPSA**	**3606.79**	12.87	**0.36**	11.9
Europe	**Stoxx Europe 600**	**379.37**	–1.29	**–0.34**	5.0
Euro zone	**Euro Stoxx**	**372.86**	–2.00	**–0.53**	6.5
Belgium	**Bel-20**	**3793.62**	–2.95	**–0.08**	5.2
France	**CAC 40**	**5120.68**	–33.67	**–0.65**	5.3
Germany	**DAX**	**12325.12**	–91.07	**–0.73**	7.4
Israel	**Tel Aviv**	**1433.63**	...	**Closed**	–2.5
Italy	**FTSE MIB**	**20584.23**	–120.42	**–0.58**	7.0
Netherlands	**AEX**	**507.15**	–1.38	**–0.27**	5.0
Spain	**IBEX 35**	**10444.50**	–86.60	**–0.82**	11.7
Sweden	**SX All Share**	**576.91**	–2.09	**–0.36**	7.9
Switzerland	**Swiss Market**	**8906.89**	–37.15	**–0.42**	8.4
U.K.	**FTSE 100**	**7312.72**	–37.60	**–0.51**	2.4
Asia-Pacific	**DJ Asia-Pacific TSM**	**1624.81**	–9.49	**–0.58**	14.2
Australia	**S&P/ASX 200**	**5721.50**	–96.60	**–1.66**	1.0
China	**Shanghai Composite**	**3192.43**	4.36	**0.14**	2.9
Hong Kong	**Hang Seng**	**25764.58**	–200.84	**–0.77**	17.1
India	**S&P BSE Sensex**	**30921.61**	64.09	**0.21**	16.1
Japan	**Nikkei Stock Avg**	**20033.43**	–186.87	**–0.92**	4.8
Singapore	**Straits Times**	**3226.48**	–32.17	**–0.99**	12.0
South Korea	**Kospi**	**2391.79**	–3.87	**–0.16**	18.0
Taiwan	**Weighted**	**10395.07**	–26.58	**–0.26**	12.3

Sources: SIX Financial Information; WSJ Market Data Group

Percentage Gainers...

Company	Symbol	Latest Session Close	Net chg	% chg	52-Week High	Low	% chg
West Marine	WMAR	12.85	3.20	**33.16**	12.85	7.77	**50.8**
Quinpario Acquisition 2	QPAC	9.92	2.26	**29.50**	10.24	7.66	**0.7**
ShiftPixy	PIXY	7.70	1.70	**28.33**	...	...	**...**
Ominto	OMNT	15.25	2.24	**17.22**	23.05	2.30	**391.9**
Fang Holdings ADR	SFUN	3.71	0.52	**16.30**	5.64	2.46	**-27.5**
Albireo Pharma	ALBO	20.60	2.86	**16.12**	37.69	8.55	**121.5**
Allied Healthcare Prods	AHPI	2.89	0.39	**15.60**	3.82	1.00	**140.8**
ObsEva	OBSV	8.55	1.05	**14.00**	14.70	5.00	**...**
Dova Pharmaceuticals	DOVA	22.29	2.48	**12.52**	22.40	17.00	**...**
Parkway	PKY	22.89	2.51	**12.32**	26.20	16.39	**...**
Proteostasis Therapeutics	PTI	4.68	0.47	**11.16**	20.63	3.50	**-60.0**
Nike Cl B	NKE	59.00	5.83	**10.96**	60.33	49.01	**6.1**
Xcel Brands	XELB	3.05	0.30	**10.91**	5.84	1.80	**-38.5**
Tronox Cl A	TROX	15.12	1.38	**10.04**	19.99	4.17	**220.3**
Web.com Group	WEB	25.30	2.30	**10.00**	25.55	12.90	**39.0**

Percentage Losers

Company	Symbol	Latest Session Close	Net chg	% chg	52-Week High	Low	% chg
Cara Therapeutics	CARA	15.39	-10.12	**-39.67**	28.50	4.75	**201.2**
Moleculin Biotech	MBRX	1.87	-1.10	**-37.04**	7.36	0.71	**-73.4**
Nxt-ID	NXTD	1.87	-1.00	**-34.84**	6.49	1.21	**-50.8**
Spherix	SPEX	2.60	-1.32	**-33.67**	4.75	0.83	**10.2**
Destination Maternity	DEST	3.23	-1.45	**-30.98**	8.42	3.14	**-44.4**
MoSys	MOSY	1.71	-0.61	**-26.29**	8.30	0.55	**-60.2**
Cinedigm Cl A	CIDM	1.74	-0.34	**-16.35**	3.00	0.90	**50.0**
bebe stores	BEBE	5.95	-0.85	**-12.50**	9.10	3.02	**21.4**
Reven Housing REIT	RVEN	4.95	-0.57	**-10.29**	6.09	4.25	**-5.7**
Electro-Sensors	ELSE	3.61	-0.41	**-10.16**	4.60	3.08	**14.2**
voxeljet ADR	VJET	4.36	-0.45	**-9.36**	6.00	2.61	**-3.8**
California Resources	CRC	8.55	-0.83	**-8.85**	23.42	7.73	**-34.5**
Velocity 3x Inv Crude ETN	DWT	33.65	-3.21	**-8.71**	44.68	20.37	**...**
Sigma Labs	SGLB	2.11	-0.20	**-8.66**	9.20	1.40	**-64.2**
ProSh Ultra 3x Shrt Crude	OILD	26.24	-2.48	**-8.64**	34.74	17.65	**...**

Most Active Stocks

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session Close	% chg	52-Week High	Low
Rite Aid	RAD	**99,555**	262.8	2.95	**2.08**	8.77	2.61
iPath S&P 500 VIX ST Fut	VXX	**95,231**	54.7	12.76	**-1.31**	56.58	12.19
Bank of America	BAC	**79,616**	-2.4	24.26	**-0.25**	25.80	12.45
Delcath Systems	DCTH	**74,610**	2.5	0.20	**-1.99**	6.49	0.02
Micron Technology	MU	**72,663**	173.6	29.86	**-5.12**	32.96	11.50
Finl Select Sector SPDR	XLF	**70,612**	-5.3	24.67	**-0.08**	25.30	17.99
iShares MSCI Emg Markets	EEM	**67,304**	30.7	41.39	**0.46**	42.04	33.33
SPDR S&P 500	SPY	**59,438**	-17.1	241.80	**0.19**	245.01	207.06
Advanced Micro Devices	AMD	**58,494**	-23.0	12.48	**-0.95**	15.55	4.82
PwrShrs QQQ Tr Series 1	QQQ	**57,396**	92.7	137.64	**0.04**	143.90	106.57

* 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
West Marine	WMAR	2,448	**4705**	12.85	**33.16**	12.85	7.77
Parkway	PKY	10,254	**3820**	22.89	**12.32**	26.20	16.39
SPDR Bloomberg 1-10Y TIPS	TIPX	465	**2951**	19.43	**-0.11**	20.25	19.21
PowerSh Dynamic Oil Svs	PXJ	530	**2273**	9.39	**-0.10**	14.18	8.88
WisdomTree Eur Qlty Div	EUDG	107	**1837**	25.11	**0.92**	26.19	20.07
iSh Intl Dev Property	WPS	150	**1677**	37.02	**-0.03**	38.99	33.12
Sun Bancorp (New Jersey)	SNBC	380	**1488**	24.65	**-1.20**	26.80	20.35
Deutsche X-trkrs MSCI Eur	DBEZ	339	**1455**	29.18	**-0.03**	30.90	22.46
ProShares Ult Mexico	UMX	256	**1283**	26.14	**2.99**	27.18	15.49
PowerShares DB Gold Fund	DGL	1,332	**1234**	39.63	**-0.15**	44.84	36.22

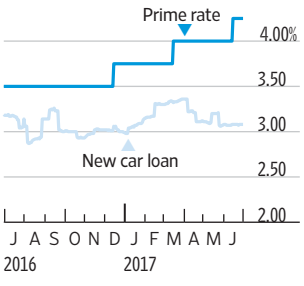
* Common stocks priced at $5 a share or more with an average volume over 65 trading days of at least 5,000 shares †Has traded fewer than 65 days

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

New car loan

Bankrate.com avg†:	**3.08%**
Think Mutual Bank Rochester, MN	**1.89%** 800-288-3425
Lake Elmo Bank Lake Elmo, MN	**1.99%** 651-777-8365
UniBank for Savings Whitinsville, MA	**2.24%** 800-578-4270
First Savings Bank of Hegewisch Chicago, IL	**2.25%** 773-646-4200
The Central Trust Bank Jefferson City, MO	**2.25%** 877-554-5535

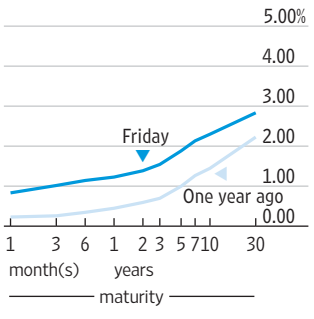
Interest rate	Yield/Rate (%) Last	Week ago	52-Week Range (%) Low	High	3-yr chg (pct pts)
Federal-funds rate target	**1.00-1.25**	1.00-1.25	0.25	1.25	**1.00**
Prime rate*	**4.25**	4.25	3.50	4.25	**1.00**
Libor, 3-month	**1.30**	1.29	0.65	1.30	**1.07**
Money market, annual yield	**0.33**	0.33	0.23	0.36	**-0.10**
Five-year CD, annual yield	**1.38**	1.38	1.17	1.38	**0.01**
30-year mortgage, fixed†	**4.00**	3.90	3.43	4.33	**-0.24**
15-year mortgage, fixed†	**3.21**	3.13	2.70	3.50	**-0.12**
Jumbo mortgages, $424,100-plus†	**4.48**	4.41	4.02	4.88	**-0.07**
Five-year adj mortgage (ARM)†	**3.42**	3.32	3.04	4.03	**-0.52**
New-car loan, 48-month	**3.08**	3.08	2.87	3.36	**-0.06**
HELOC, $30,000	**5.12**	5.07	4.57	5.12	**0.51**

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

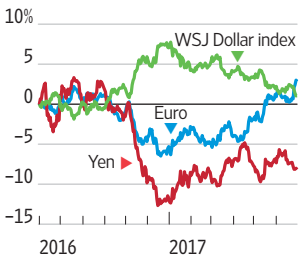
Treasury yield curve

Yield to maturity of current bills, notes and bonds



Forex Race

Yen, euro vs. dollar; dollar vs. major U.S. trading partners



Sources: Ryan ALM; 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	1455.237	**2.013**	1.902	2.237	1.141	**–3.549**	2.621
10-yr Treasury, Ryan ALM	1729.423	**2.298**	2.146	2.609	1.366	**–0.953**	2.658
DJ Corporate	374.060	**3.010**	2.936	3.390	2.460	**0.975**	3.804
Aggregate, Barclays Capital	1921.150	**2.550**	2.460	2.790	1.820	**–0.323**	2.479
High Yield 100, Merrill Lynch	n.a.	**n.a.**	5.245	n.a.	n.a.	**n.a.**	n.a.
Fixed-Rate MBS, Barclays	1966.110	**2.840**	2.760	3.120	1.930	**–0.100**	2.168
Muni Master, Merrill	n.a.	**n.a.**	1.879	n.a.	n.a.	**n.a.**	n.a.
EMBI Global, J.P. Morgan	n.a.	**n.a.**	5.484	n.a.	n.a.	**n.a.**	n.a.

Sources: J.P. Morgan; Ryan ALM; S&P Dow Jones Indices; Barclays Capital; Merrill Lynch

U.S.-dollar foreign-exchange rates in late New York trading

Country/currency	Fri in US$	per US$	US$ vs, YTD chg (%)
Americas			
Argentina peso	.0602	16.6220	**4.7**
Brazil real	.3023	3.3085	**1.6**
Canada dollar	.7713	1.2966	**–3.5**
Chile peso	.001506	664.20	**–0.8**
Colombia peso	.0003285	3044.03	**1.4**
Ecuador US dollar	1	1	**unch**
Mexico peso	.0552	18.1270	**–12.6**
Peru new sol	.3085	3.241	**–3.3**
Uruguay peso	.03520	28.4100	**–3.2**
Venezuela b. fuerte	.100150	9.9851	**–0.1**
Asia-Pacific			
Australian dollar	.7689	1.3006	**–6.3**
China yuan	.1475	6.7787	**–2.4**
Hong Kong dollar	.1281	7.8075	**0.7**
India rupee	.01548	64.611	**–4.9**
Indonesia rupiah	.0000751	13320	**–1.5**
Japan yen	.008898	112.39	**–3.9**
Kazakhstan tenge	.003105	322.06	**–3.5**
Macau pataca	.1244	8.0372	**1.5**
Malaysia ringgit	.2329	4.2935	**–4.3**
New Zealand dollar	.7335	1.3633	**–5.6**
Pakistan rupee	.00954	104.853	**0.5**
Philippines peso	.0198	50.396	**1.6**
Singapore dollar	.7265	1.3765	**–4.9**
South Korea won	.0008730	1145.43	**–5.2**
Sri Lanka rupee	.0065206	153.36	**3.3**
Taiwan dollar	.03286	30.433	**–6.2**
Thailand baht	.02947	33.930	**–5.2**
Vietnam dong	.00004400	22725	**–0.2**
Europe			
Czech Rep. koruna	.04374	22.863	**–11.0**
Denmark krone	.1537	6.5080	**–7.9**
Euro area euro	1.1427	.8752	**–7.9**
Hungary forint	.003698	270.41	**–8.1**
Iceland krona	.009816	101.87	**–9.8**
Norway krone	.1198	8.3460	**–3.5**
Poland zloty	.2701	3.7026	**–11.6**
Russia ruble	.01698	58.902	**–3.9**
Sweden krona	.1186	8.4312	**–7.4**
Switzerland franc	1.0436	.9582	**–6.0**
Turkey lira	.2840	3.5212	**–0.1**
Ukraine hryvnia	.0383	26.0800	**–3.7**
UK pound	1.3024	.7678	**–5.2**
Middle East/Africa			
Bahrain dinar	2.6505	.3773	**0.03**
Egypt pound	.0552	18.1150	**–0.1**
Israel shekel	.2867	3.4883	**–9.4**
Kuwait dinar	3.2967	.3033	**–0.8**
Oman sul rial	2.5953	.3853	**0.1**
Qatar rial	.2679	3.733	**2.6**
Saudi Arabia riyal	.2666	3.7503	**–0.01**
South Africa rand	.0763	13.1143	**–4.2**

	Close	Net Chg	% Chg	YTD % Chg
WSJ Dollar Index	87.74	0.02	0.02	**–5.59**

Sources: Tullett Prebon, WSJ Market Data Group

COMMODITIES

	Close	Friday Net chg	% Chg	52-Week High	Low	% Chg	YTD % chg
DJ Commodity	**554.89**	8.46	**1.55**	589.81	506.18	**0.44**	-2.18
TR/CC CRB Index	**174.78**	2.89	**1.68**	195.14	166.50	**-10.03**	-9.21
Crude oil, $ per barrel	**46.04**	1.11	**2.47**	54.45	39.51	**-6.02**	-14.30
Natural gas, $/MMBtu	**3.035**	-0.007	**-0.23**	3.93	2.55	**1.61**	-18.50
Gold, $ per troy oz.	**1240.70**	-3.50	**-0.28**	1364.90	1127.80	**-7.18**	7.89

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STOCKS

Insider-Trading Spotlight

Trading by 'insiders' of a corporation, such as a company's CEO, vice president or director, potentially conveys new information about the prospects of a company. Insiders are required to report large trades to the SEC within two business days. Here's a look at the biggest individual trades by insiders, based on data received by Thomson Financial on June 30, and year-to-date stock performance of the company

KEY: B: beneficial owner of more than 10% of a security class **CB:** chairman **CEO:** chief executive officer **CFO:** chief financial officer **CO:** chief operating officer **D:** director **DO:** director and beneficial owner **GC:** general counsel **H:** officer, director and beneficial owner **I:** indirect transaction filed through a trust, insider spouse, minor child or other **O:** officer **OD:** officer and director **P:** president **UT:** unknown **VP:** vice president Excludes pure options transactions

Biggest weekly individual trades

Based on reports filed with regulators this past week

Date(s)	Company	Symbol	Insider	Title	No. of shrs in trans (000s)	Price range ($) in transaction	$ Value (000s)	Close ($)	Ytd (%)
Buyers									
June 27	**Selecta Biosciences**	**SELB**	T. Springer	**D**	339	17.71	**6,000**	19.86	15.8
June 26-27	**lululemon Athletica**	**LULU**	G. Murphy	**D**	100	55.48-55.50	**5,550**	59.67	-8.2
June 21-23	**Revlon**	**REV**	R. Perelman	**DOI**	150	23.00-23.17	**3,472**	23.70	-18.7
June 27-28	**United Community Financial**	**UCFC**	M. Adams	**DI**	404	7.96-8.00	**3,232**	8.31	-7.0
June 21-23	**Medley Capital**	**MCC**	B. Taube	**CEOI**	425	6.24-6.33	**2,666**	6.39	-14.9
June 21-23			S. Taube	**DOI**	425	6.24-6.33	**2,666**		
June 26-28			S. Taube	**DI**	277	6.35-6.39	**1,759**		
June 26-28			B. Taube	**DI**	277	6.35-6.39	**1,759**		
June 27	**Jernigan Capital**	**JCAP**	J. Dondero	**DI**	100	22.00	**2,200**	22.00	4.5
June 27	**Altice USA**	**ATUS**	A. Boubazine	**P**	65	30.00	**1,950**	32.30	7.7
June 27			M. Combes	**D**	30	30.00	**900**		
June 23	**EQT Corp**	**EQT**	A. Cary	**D**	28	53.44-53.99	**1,499**	58.59	-10.4
June 22			D. Schlosser	**O**	10	50.96	**510**		
June 27	**Safety Income Growth**	**SAFE**	J. Sugarman	**CEOI**	50	20.00	**1,000**	19.15	-4.3
June 27			G. Jervis	**CO**	28	20.00	**568**		
June 27			N. Matis	**CI**	20	20.00	**400**		
June 27	**Spring Bank Pharmaceuticals**	**SBPH**	K. Eichler	**D**	77	13.00	**1,000**	13.54	69.5
June 29	**Teledyne Technologies**	**TDY**	T. Reslewic	**O**	5	124.50	**623**	127.65	3.8
Sellers									
June 21-22	**Facebook**	**FB**	M. Zuckerberg	**CEOI**	277	152.49-154.17	**42,500**	150.98	31.2
June 7-8	**Workday**	**WDAY**	D. Duffield	**DOI**	342	101.96-102.66	**35,011**	97.00	46.8
June 23	**WageWorks**	**WAGE**	J. Jackson	**CEO**	495	69.25	**34,289**	67.20	-7.3
June 22	**Celgene**	**CELG**	R. Hugin	**OD**	176	134.14	**23,605**	129.87	12.2
June 21-22	**NVIDIA**	**NVDA**	H. Jones	**DI**	146	159.26-159.47	**23,183**	144.56	35.4
June 28			H. Jones	**DI**	50	150.84	**7,542**		
June 27	**LMI Aerospace**	**LMIA**	G. Summe	**D**	1440*	14.00	**20,165**	13.99	62.3
June 21-22	**Arista Networks**	**ANET**	J. Ullal	**CEOI**	80	157.68-159.18	**12,656**	149.79	54.8
June 23-26			J. Ullal	**CEOI**	60	157.77-162.33	**9,570**		
June 23-26			J. Ullal	**CEOI**	55	157.77-162.33	**8,848**		
June 23	**Keysight Technologies**	**KEYS**	R. Nersesian	**CEO**	330	38.09-38.39	**12,653**	38.93	6.5
June 28	**Nutanix**	**NTNX**	J. Parks	**DI**	617	20.23	**12,490**	20.15	-24.1
June 27-28	**H&R Block**	**HRB**	W. Cobb	**CEO**	388	30.96-31.43	**12,094**	30.91	34.4
June 28	**Oracle**	**ORCL**	D. Daley	**GC**	200	50.94	**10,188**	50.14	30.4
June 26			W. West	**O**	150	51.39	**7,708**		
June 23			M. Boskin	**D**	150	50.69	**7,604**		
June 23-26	**BankUnited**	**BKU**	J. Kanas	**CB**	200	32.62-32.67	**6,529**	33.71	-10.6
June 22	**HCA Healthcare**	**HCA**	J. Perlin	**O**	71	86.00	**6,111**	87.20	17.8

* Half the transactions were indirect **Two day transaction
p - Pink Sheets

Buying and selling by sector

Based on actual transaction dates in reports received this past week

Sector	Buying	Selling	Sector	Buying	Selling
Basic Industries	187,960	2,074,759	Finance	5,514,825	24,951,181
Business services	204,555	22,149,392	Health care	34,795	54,101,036
Capital goods	0	0	Industrial	1,179,024	32,182,986
Consumer durables	25,955	8,799,905	Media	16,238	449,600
Consumer nondurables	5,618,344	3,531,390	Technology	19,960	92,977,893
Consumer services	289,911	6,170,928	Transportation	141,310	16,226,529
Energy	342,694	49,400	Utilities	2,235,740	593,702

Sources: Thomson Financial; WSJ Market Data Group

Exchange-Traded Portfolios | WSJ.com/ETFresearch

Largest 100 exchange-traded funds, latest session

Friday, June 30, 2017

ETF	Symbol	Closing Price	Chg (%)	YTD (%)
AlerianMLPETF	**AMLP**	11.96	**1.27**	-5.1
CnsmrDiscSelSector	**XLY**	89.63	**0.53**	10.1
CnsStapleSelSector	**XLP**	54.94	**0.18**	6.2
DBGoldDoubleLgETN	**DGP**	22.98	**-0.29**	14.2
DBGoldDoubleShrt	**DZZ**	5.91	**0.73**	-13.7
DeutscheXMSCIEAFE	**DBEF**	30.02	**0.17**	7.0
EnSelectSectorSPDR	**XLE**	64.92	**0.45**	-13.8
FinSelSectorSPDR	**XLF**	24.67	**-0.08**	6.1
GuggS&P500EW	**RSP**	92.68	**0.31**	7.0
HealthCareSelSect	**XLV**	79.24	**-0.14**	14.9
IndSelSectorSPDR	**XLI**	68.11	**0.83**	9.5
iShIntermCredBd	**CIU**	109.78	**-0.07**	1.5
iSh1-3YCreditBond	**CSJ**	105.31	**-0.04**	0.4
iSh3-7YTreasuryBd	**IEI**	123.57	**-0.15**	0.9
iShCoreHiDividend	**HDV**	83.13	**0.12**	1.1
iShCoreMSCIEAFEETF	**IEFA**	60.89	**0.05**	13.5
iShCoreMSCIEmgMk	**IEMG**	50.04	**0.58**	17.9
iShCoreS&P500ETF	**IVV**	243.41	**0.16**	8.2
iShCoreS&PMdCp	**IJH**	173.95	**0.10**	5.2
iShCoreS&PSmCpETF	**IJR**	70.11	**-0.06**	2.0
iShS&PTotlUSStkMkt	**ITOT**	55.42	**0.14**	8.1
iShCoreUSAggBd	**AGG**	109.51	**-0.13**	1.3
iShSelectDividend	**DVY**	92.21	**0.13**	4.1
iShEdgeMSCIMinEAFE	**EFAV**	69.24	**0.01**	13.1
iShEdgeMSCIMinUSA	**USMV**	48.93	**0.25**	8.2
iShGoldTr	**IAU**	11.94	**-0.17**	7.8
iShiBoxx$InvGrCpBd	**LQD**	120.51	**-0.08**	2.8
iShiBoxx$HYCpBd	**HYG**	88.39	**0.24**	2.1
iShJPMUSDEmgBd	**EMB**	114.36	**-0.12**	3.8
iShMBSETF	**MBB**	106.76	**-0.14**	0.4
iShMSCIACWIETF	**ACWI**	65.49	**0.24**	10.7
iShMSCI EAFE	**EFA**	65.20	**0.06**	12.9
iShMSCIEAFESC	**SCZ**	57.84	**0.52**	16.1
iShMSCIEmgMarkets	**EEM**	41.39	**0.46**	18.2
iShMSCIEurozoneETF	**EZU**	40.33	**-0.16**	16.5
iShMSCIJapanETF	**EWJ**	53.65	**0.34**	9.8
iShNasdaqBiotech	**IBB**	310.08	**-0.73**	16.8
iShNatlMuniBdETF	**MUB**	110.12	**-0.07**	1.8
iShRussell1000Gwth	**IWF**	119.02	**0.21**	13.5
iShRussell1000ETF	**IWB**	135.27	**0.18**	8.7
iShRussell1000Val	**IWD**	116.43	**0.14**	3.9
iShRussell2000Gwth	**IWO**	168.77	**-0.04**	9.6
iShRussell2000ETF	**IWM**	140.92	**-0.16**	4.5
iShRussell2000Val	**IWN**	118.87	**-0.37**	-0.1
iShRussell3000ETF	**IWV**	144.02	**0.11**	8.3
iShRussellMid-Cap	**IWR**	192.11	**0.24**	7.4
iShRussellMCValue	**IWS**	84.09	**0.24**	4.6
iShS&PMC400Growth	**IJK**	196.62	**0.17**	7.9
iShS&P500Growth	**IVW**	136.85	**0.18**	12.4
iShS&P500ValueETF	**IVE**	104.96	**0.12**	3.5
iShUSPfdStk	**PFF**	39.17	**0.26**	5.3
iShTIPSBondETF	**TIP**	113.43	**-0.14**	0.2
iSh1-3YTreasuryBd	**SHY**	84.49	**...**	0.0
iSh7-10YTreasuryBd	**IEF**	106.61	**-0.23**	1.7
iSh20+YTreasuryBd	**TLT**	125.12	**-0.23**	5.0
iShRussellMCGrowth	**IWP**	108.07	**0.34**	11.0
PIMCOEnhShMaturity	**MINT**	101.72	**-0.01**	0.4
PwrShQQQ1	**QQQ**	137.64	**0.04**	16.2
PwrShS&P500LoVol	**SPLV**	44.73	**0.36**	7.6
PwrShSrLoanPtf	**BKLN**	23.14	**0.26**	-0.9
SPDRBloomBarcHYBd	**JNK**	37.20	**0.22**	2.1
SPDR Gold	**GLD**	118.02	**-0.25**	7.7
SchwabIntEquity	**SCHF**	31.78	**0.06**	14.8
SchwabUS BrdMkt	**SCHB**	58.46	**0.05**	7.9
SchwabUS LC	**SCHX**	57.77	**0.16**	8.5
SPDR DJIA Tr	**DIA**	213.24	**0.30**	8.0
SPDR S&PMdCpTr	**MDY**	317.62	**0.07**	5.3
SPDR S&P 500	**SPY**	241.80	**0.19**	8.2
SPDR S&P Div	**SDY**	88.89	**0.07**	3.9
TechSelectSector	**XLK**	54.72	**-0.09**	13.2
UtilitiesSelSector	**XLU**	51.96	**-0.15**	7.0
VanEckGoldMiner	**GDX**	22.08	**0.59**	5.5
VangdInfoTech	**VGT**	140.84	**-0.13**	15.9
VangdSC Val	**VBR**	122.91	**0.05**	1.6
VangdDivApp	**VIG**	92.67	**0.63**	8.8
VangdFTSEDevMk	**VEA**	41.32	**0.19**	13.1
VangdFTSE EM	**VWO**	40.83	**0.79**	14.1
VangdFTSE Europe	**VGK**	55.14	**0.13**	15.0
VangdFTSEAWxUS	**VEU**	50.03	**0.18**	13.2
VangdGrowth	**VUG**	127.04	**0.13**	14.0
VangdHlthCr	**VHT**	147.37	**-0.12**	16.2
VangdHiDiv	**VYM**	78.16	**0.18**	3.2
VangdIntermBd	**BIV**	84.53	**-0.17**	1.8
VangdIntrCorpBd	**VCIT**	87.53	**-0.13**	2.1
VangdLC	**VV**	111.02	**0.14**	8.4
VangdMC	**VO**	142.52	**0.18**	8.3
VangdMC Val	**VOE**	102.87	**0.17**	5.8
VangdREIT	**VNQ**	83.23	**...**	0.8
VangdS&P500	**VOO**	222.06	**0.17**	8.2
VangdST Bond	**BSV**	79.85	**-0.03**	0.5
VangdSTCpBd	**VCSH**	80.04	**...**	0.8
VangdSC	**VB**	135.54	**0.07**	5.1
VangdTotalBd	**BND**	81.83	**-0.07**	1.3
VangdTotIntlBd	**BNDX**	54.36	**0.09**	0.1
VangdTotIntlStk	**VXUS**	51.97	**0.21**	13.3
VangdTotalStk	**VTI**	124.45	**0.14**	7.9
VangdTotlWrld	**VT**	67.53	**0.24**	10.7
VangdValue	**VTV**	96.56	**0.24**	3.8
WisdTrEuropeHdg	**HEDJ**	62.33	**-0.02**	8.6
WisdTrJapanHdg	**DXJ**	52.00	**1.01**	5.0

NEW HIGHS AND LOWS | WSJ.com/newhighs

The following explanations apply to the New York Stock Exchange, NYSE Arca, NYSE MKT and Nasdaq Stock Market stocks that hit a new 52-week intraday high or low in the latest session. **% CHG**-Daily percentage change from the previous trading session.

Friday, June 30, 2017

NYSE highs - 67

Stock	Sym	52-Wk Hi/Lo	% Chg
AlbanyIntl	**AIN**	53.60	2.6
Ameresco	**AMRC**	7.75	3.2
AsiaPacificFund	**APB**	13.05	0.6
Atento	**ATTO**	11.20	3.2
Bard CR	**BCR**	316.95	0.4
BectonDickinson	**BDX**	196.59	1.0
BectonDickinsonPfA	**BDXA**	56.25	1.0
BlkRkMultiIT	**BIT**	18.15	0.8
BrookfieldDTLAPf	**DTLAp**	25.77	-0.9
CNA Fin	**CNA**	48.95	0.8
Cemex	**CX**	9.43	1.3
Cohen&SteersLitDur	**LDP**	26.80	0.6
CrownHoldings	**CCK**	59.82	1.1
CryoLife	**CRY**	20.30	-0.5
Dana	**DAN**	22.51	0.1
EtnVncTxAdvGbl	**ETG**	17.11	1.3
Everi	**EVRI**	7.50	-1.6
FedEx	**FDX**	218.36	1.0
FidelityNatlFin	**FNF**	45.18	0.4
FT InterDurPfd	**FPF**	24.89	...
FiveOaksInvPfdA	**OAKSpA**	26.20	-0.4
Flaherty&CrumDyn	**DFP**	26.43	1.1
GMACCapTrSer2	**ALLYpA**	26.20	0.8
GabelliGlbSmall&MC	**GGZ**	12.46	0.5
GoldmanSachsPfJ	**GSpJ**	28.24	0.5
GpoAeroportuar	**PAC**	114.44	-0.8
HFF	**HF**	34.95	0.5
Humana	**HUM**	241.96	0.5
IndustrsBachoco	**IBA**	58.51	2.0
IntlSeaways	**INSW**	21.95	0.2
iStarFnl pfE	**STARpE**	25.38	0.1
J Alexander's	**JAX**	12.25	0.8
JohnBeanTech	**JBT**	99.15	2.5
KB Home	**KBH**	24.26	0.8
KSCitySouthern	**KSU**	105.15	2.1
KeyCorpPfdE	**KEYpI**	29.33	1.0
LabCpAm	**LH**	154.82	1.4
Lindsay	**LNN**	92.74	-2.4
Manpower	**MAN**	112.09	1.2
MarineProducts	**MPX**	15.80	0.1
MeritageHomes	**MTH**	42.65	1.2
Monsanto	**MON**	118.97	0.3
OilDriAmerica	**ODC**	42.68	-0.4
Owens-Illinois	**OI**	24.08	0.7
PCM Fund	**PCM**	11.25	0.3
PGT Innovations	**PGTI**	13.05	3.6
PIMCO DynIncmFd	**PDI**	30.26	0.9
Realogy	**RLGY**	32.62	0.5
RestaurantBrands	**QSR**	62.94	1.1
RylBkScot pfH	**RBSpH**	26.71	0.9
ServiceCorp	**SCI**	33.56	0.8
Ternium	**TX**	28.44	4.4
TPGPaceEnergyWt	**TPGE/WS**	1.41	4.4
TPGPaceEnergyA	**TPGE**	10.25	0.6
Terex	**TEX**	37.90	3.0
TimeWarner	**TWX**	100.67	0.6
Toll Bros	**TOL**	39.82	1.5
Tri-Continental	**TY**	24.39	0.2
UnitedMicro	**UMC**	2.44	1.7
VivintSolar	**VSLR**	5.95	1.7
WABCO	**WBC**	128.32	0.4
WNS	**WNS**	34.67	0.9
Wabtec	**WAB**	92.00	1.3
WesternRefinLog	**WNRL**	26.85	-1.9
WolverineWwide	**WWW**	28.11	2.0
WooriBank	**WF**	49.00	0.7
Xylem	**XYL**	55.68	1.0

NYSE lows - 18

Stock	Sym	52-Wk Hi/Lo	% Chg
BlueApron	**APRN**	9.17	-6.6
ChinaRapidFin	**XRF**	5.60	-1.7
EXCO Res	**XCO**	2.65	-7.0
EldoradoGold	**EGO**	2.50	2.3
FarmlandPtrs	**FPI**	8.73	0.7
Ferrellgas	**FGP**	4.49	-4.0
FdnBuilding	**FBM**	12.70	-1.3
Imax	**IMAX**	21.70	-4.8
JumeiIntl	**JMEI**	2.11	-3.2
KoreaEquityFund	**KEF**	7.01	-0.2
LejuHoldings	**LEJU**	1.81	-3.2
ObsidianEnergy	**OBE**	1.25	...
PetroChina	**PTR**	61.07	-0.6
RiteAid	**RAD**	2.61	2.1
SafetyIncome	**SAFE**	18.32	-0.5
Smucker	**SJM**	117.47	0.3
Team	**TISI**	23.25	-0.4
Verizon	**VZ**	44.36	0.6

NYSE Arca highs - 18

Stock	Sym	52-Wk Hi/Lo	% Chg
CSOPFTSEChinaA50	**AFTY**	15.39	0.7
DeutscheXHarCSI300	**ASHR**	27.30	0.6
DeutscheXMSCSKorea	**DBKO**	29.67	0.6
DirexCSI300CnABl2	**CHAU**	22.82	1.4
ElemntsRogrMrngstr	**WMW**	28.30	-0.4
GlbX MSCIGreece	**GREK**	10.20	0.6
GS Active US SC	**GSSC**	40.26	0.4
GuggChinaSC	**HAO**	25.89	0.9
GuggUltraShrtDur	**GSY**	50.31	...
IQMergerArbitrage	**MNA**	30.78	0.1
iShCurrHdgNikk400	**HJPX**	27.26	0.5
iShIntrRtHdgCorpBd	**LQDH**	95.62	0.1
iShIntlPfdStock	**IPFF**	17.90	1.1
KraneBoseraChinaA	**KBA**	30.73	1.0
PIMCOEnhShMaturity	**MINT**	101.75	...
PwrShVarRtPfd	**VRP**	26.18	...
SPDRBloomBar1-3MTB	**BIL**	45.75	...
VanEckCSI300	**PEK**	42.50	0.9

NYSE Arca lows - 5

Stock	Sym	52-Wk Hi/Lo	% Chg
DirexCSI300CnA	**CHAD**	36.15	-0.9
iPathS&P500DynVIX	**XVZ**	23.94	-0.3
SPDRLgDollarGold	**GLDW**	117.42	-0.8
USGlbGOGold	**GOAU**	11.86	0.1
USAgricIndexFd	**USAG**	17.56	-0.3

NYSE MKT highs - 6

Stock	Sym	52-Wk Hi/Lo	% Chg
CheniereEnHldgs	**CQH**	27.45	0.8
EllsworthGrw&Incm	**ECF**	9.28	1.6
GasNatural	**EGAS**	12.97	-0.2
GlobalSCAPE	**GSB**	5.39	5.4
ParPacific	**PARR**	18.08	1.7
PlymouthIndREIT	**PLYM**	18.75	3.9

NYSE MKT lows - 3

Stock	Sym	52-Wk Hi/Lo	% Chg
AoxingPharm	**AXN**	0.28	...
Pfenex	**PFNX**	3.81	-2.7
VoltInfoSci	**VISI**	3.75	-2.5

Nasdaq highs - 66

Stock	Sym	52-Wk Hi/Lo	% Chg
AVHomes	**AVHI**	20.30	0.3
AeroVironment	**AVAV**	38.60	4.7
Angie'sList	**ANGI**	12.99	1.1
AntaresPharma	**ATRS**	3.29	-0.3
AtriCure	**ATRC**	24.85	-1.6
AxoGen	**AXGN**	16.90	8.4
BassettFurniture	**BSET**	38.85	5.0
CBOE Holdings	**CBOE**	91.80	0.4
Carlyle	**CG**	20.00	-0.3
ChemoCentryx	**CCXI**	9.47	3.0
Codexis	**CDXS**	5.45	3.8
CryoPort	**CYRX**	5.10	3.6
CymaBayTherap	**CBAY**	5.81	3.6
Daseke	**DSKE**	11.21	0.7
DovaPharm	**DOVA**	22.40	12.5
EasterlyAcqnWt	**EACQW**	0.87	143.7
ElectrumSpec	**ELEC**	10.13	-0.1
EnerNOC	**ENOC**	7.75	1.3
FarmersBancp	**FMAO**	64.50	-0.9
FT ChinaAlphaDEX	**FCA**	23.83	0.9
FT NasdaqTrans	**FTXR**	24.26	0.6
ForwardAir	**FWRD**	56.52	-0.1
FosterLB	**FSTR**	21.95	1.7
FoxFactory	**FOXF**	35.70	1.7
GlobalWaterRscs	**GWRS**	9.96	0.2
GreenBrickPtrs	**GRBK**	11.55	2.2
IberiabankPfdB	**IBKCP**	30.50	2.4
IRSA Prop	**IRCP**	57.00	3.6
InspiredEnt	**INSE**	13.75	-0.8
Insulet	**PODD**	52.01	2.2
IntegraLifeSci	**IART**	54.74	1.3
IntersectENT	**XENT**	28.23	3.3
IridiumCommPfdB	**IRDMB**	388.37	3.8
KitePharma	**KITE**	106.42	0.8
LGI Homes	**LGIH**	40.58	2.6
LakelandInd	**LAKE**	14.60	0.7
Lantheus	**LNTH**	17.85	1.4
LindbladExped	**LIND**	10.63	0.2
Neogen	**NEOG**	69.58	0.6
OldPointFinl	**OPOF**	33.88	1.8
OxfordImmunotec	**OXFD**	16.90	1.0
PacificSpecialRt	**PAACR**	0.60	...
PhibroAnimal	**PAHC**	38.85	-1.2
PierisPharm	**PIRS**	5.46	2.4
PlayaHotels	**PLYA**	12.10	0.8
Premier	**PINC**	36.28	0.1
RTI Surgical	**RTIX**	5.95	...
RenewableEnergy	**REGI**	13.05	1.6
SLM Pfd B	**SLMBP**	73.80	0.7
Stamps.com	**STMP**	156.40	1.4
StateNational	**SNC**	18.55	0.6
SterlingCnstr	**STRL**	13.22	0.4
SunRun	**RUN**	7.35	-2.1
TiGenix	**TIG**	22.56	4.0
TivityHealth	**TVTY**	40.45	0.4
trivago	**TRVG**	23.80	3.9
TrueCar	**TRUE**	19.96	4.7
Trupanion	**TRUP**	23.41	0.1
UFP Tech	**UFPT**	28.48	...
Ultralife	**ULBI**	7.36	5.1
VOXX Intl	**VOXX**	9.00	-7.9
VSE	**VSEC**	45.93	-0.9
Web.com	**WEB**	25.55	10.0
WestMarine	**WMAR**	12.85	33.2
WintrustFin Wt	**WTFCW**	54.11	3.2
YatraOnline	**YTRA**	11.39	3.6

Nasdaq lows - 23

Stock	Sym	52-Wk Hi/Lo	% Chg
Altimmune	**ALT**	2.90	7.4
ArcadiaBiosci	**RKDA**	0.42	-8.2
Astrotech	**ASTC**	0.88	-6.8
AvalancheBiotech	**ADVM**	2.45	...
CoherusBioSci	**CHRS**	13.55	-0.7
ContraVirPharm	**CTRV**	0.56	-2.4
CounterPath	**CPAH**	1.75	1.7
DestMaternity	**DEST**	3.14	-31.0
Dryships	**DRYS**	1.26	-25.7
EVINE Live	**EVLV**	0.99	-2.0
FT DevIntlEquity	**RNDM**	49.44	-0.6
FT USEquityDiv	**RNDV**	19.90	-0.8
iKangHealthcare	**KANG**	12.00	1.0
Inpixon	**INPX**	0.65	-1.6
JounceTherap	**JNCE**	13.75	-4.1
KitovPharm	**KTOV**	1.38	-1.3
ModernMediaWt	**MMDMW**	0.36	-20.0
MonroMuffler	**MNRO**	40.55	1.7
SapiensInt	**SPNS**	10.99	0.9
Shineco	**TYHT**	2.90	-1.3
TOP Ships	**TOPS**	0.40	-1.2
21 Vianet	**VNET**	4.83	-1.2
Viacom B	**VIAB**	33.30	-2.3

Dividend Changes

Dividend announcements from June 30.

Company	Symbol	Yld %	Amount New/Old	Frq	Payable / Record
Increased					
First Bancorp	FNLC	3.5	.24/.23	**Q**	Jul28/Jul10
Matson Inc.	MATX	2.7	.20/.19	**Q**	Sep07/Aug03
Pathfinder Bancorp	PBHC	1.3	.0525/.05	**Q**	Aug04/Jul14
Funds and investment companies					
Apollo Sr Fltg Rate Fd	AFT	6.4	.09	**M**	Jul31/Jul19
Apollo Tactical Incm Fd	AIF	7.7	.105	**M**	Jul31/Jul19
Dreyfus Municipal Income	DMF	5.5	.041	**M**	Jul31/Jul14
Dreyfus Strat Muni Bond	DSM	5.9	.0415	**M**	Jul31/Jul14
Dreyfus Strategic Munis	LEO	5.8	.043	**M**	Jul31/Jul14
Franklin Liberty Invt Grd	FLCO	3.4	.07102	**M**	Jul10/Jul05
Franklin Short Dur US	FTSD	2.1	.1701	**M**	Jul07/Jul05
Health & Fitness ETF	FITS	1.8	.11719	**Q**	Jul07/Jul05
Janus S/MC Growth Alpha	JSMD	0.2	.01363	**Q**	Jul07/Jul05
Janus SC Growth Alpha	JSML	0.1	.00676	**Q**	Jul07/Jul05
Janus SG Gl Qual Incm	SGQI	4.8	.33233	**Q**	Jul07/Jul05
Janus Velocity Tail LC	TRSK	1.0	.07617	**Q**	Jul07/Jul05
Janus Velocity Vol Hdg LC	SPXH	1.1	.09284	**Q**	Jul07/Jul05
Long-Term Care ETF	OLD	1.5	.09913	**Q**	Jul07/Jul05
Obesity ETF	SLIM	0.4	.02594	**Q**	Jul07/Jul05
Organics ETF	ORG	0.6	.04256	**Q**	Jul07/Jul05
SPDR MFS Sys Core Equity	SYE	1.3	.21904	**Q**	Jul13/Jul05
SPDR MFS Sys Growth Equ	SYG	0.9	.15836	**Q**	Jul13/Jul05
SPDR MFS Sys Value Equity	SYV	1.6	.23876	**Q**	Jul13/Jul05
SPDR SSgA Glbl Allocation	GAL	3.3	.29258	**Q**	Jul13/Jul05
SPDR SSgA Incm Allocation	INKM	3.7	.30075	**Q**	Jul13/Jul05
SPDR SSgA Multi-Asset RR	RLY	3.1	.18807	**Q**	Jul13/Jul05
Vanguard Tax-Exempt Bd	VTEB	2.0	.087	**M**	Jul10/Jul06
Foreign					
Santander Hldgs dep shs	SOVpC	7.0	.45625	**Q**	Aug15/Aug01
Special					
Banner	BANR	1.8	1.00		Jul18/Jul10

KEY: A: annual; M: monthly; Q: quarterly; r: revised; SA: semiannual; S2:1: stock split and ratio; SO: spin-off.

Cash Prices | WSJ.com/commodities

Friday, June 30, 2017

These prices reflect buying and selling of a variety of actual or "physical" commodities in the marketplace—separate from the futures price on an exchange, which reflects what the commodity might be worth in future months.

	Friday
Energy	
Propane,tet,Mont Belvieu-g	**0.6019**
Butane,normal,Mont Belvieu-g	**0.7338**
NaturalGas,HenryHub-i	**2.940**
NaturalGas,TranscoZone3-i	**2.850**
NaturalGas,TranscoZone6NY-i	**2.520**
NaturalGas,PanhandleEast-i	**2.440**
NaturalGas,Opal-i	**2.440**
NaturalGas,MarcellusNE PA-i	**1.930**
NaturalGas,HaynesvilleN.LA-i	**2.790**
Coal,C.Aplc.,12500Btu,1.2SO2-r,w	**52.550**
Coal,PwdrRvrBsn,8800Btu,0.8SO2-r,w	**11.550**
Metals	
Gold, per troy oz	
Engelhard industrial	**1244.76**
Engelhard fabricated	**1338.12**
Handy & Harman base	**1242.25**
Handy & Harman fabricated	**1378.89**
LBMA Gold Price AM	***1246.60**
LBMA Gold Price PM	***1243.50**
Krugerrand,wholesale-e	**1292.10**
Maple Leaf-e	**1304.52**
American Eagle-e	**1304.52**
Mexican peso-e	**1505.96**
Austria crown-e	**1220.80**
Austria phil-e	**1304.52**
Silver, troy oz.	
Engelhard industrial	**16.6300**
Engelhard fabricated	**19.9560**
Handy & Harman base	**16.6350**
Handy & Harman fabricated	**20.7940**
LBMA spot price	**£12.6946**
(U.S.$ equivalent)	**16.4700**
Coins,wholesale $1,000 face-a	**12637**
Other metals	
LBMA Platinum Price PM	***910.0**
Platinum,Engelhard industrial	**925.0**
Platinum,Engelhard fabricated	**1025.0**
Palladium,Engelhard industrial	**845.0**
Palladium,Engelhard fabricated	**945.0**
Aluminum, LME, $ per metric ton	***1897.5**
Copper,Comex spot	**2.6990**
Iron Ore, 62% Fe CFR China-s	**62.6**
Shredded Scrap, US Midwest-s,w	**296**

E*Trade Returns to Roots In a Last Bid to Survive

By Michael Wursthorn

E*Trade Financial Corp.'s board has delivered an ultimatum to its new chief executive: Clearly define the company's future by the end of next year or face a possible sale, executives at the discount brokerage say.

In issuing its mandate, the board is asking Karl Roessner, E*Trade's chief since September, to reinvigorate the core brokerage business and achieve a revival that has largely eluded the six CEOs who preceded him after the company's near implosion during the financial crisis.

"We have to get there...and make sure we can grow this [business] organically," Mr. Roessner, who is 49, a former deal attorney and had been the company's general counsel since 2009, said in an interview. "We have to turn around that stagnation from the top of the house."

Mr. Roessner's plan is simple: Return the company to its roots as an irreverent financial technology firm. The 35-year-old brokerage is refreshing its trading technology, deepening its derivative-trading capabilities, and embarking on an advertising campaign to appeal to investors' aspirational desires.

But E*Trade's pursuit of traders and commissions is going against the tide in an investing landscape that has been upended since the company's heyday in the 1990s and early part of the last decade. Its biggest rivals, including **Charles Schwab** Corp. and TD Ameritrade Inc., have moved away from relying on commissions, which are at record lows, and instead pursued fee-based accounts. Smaller competitors such as Scottrade Financial Services Inc. have decided they couldn't go it alone and have sold themselves. And startups like **Robinhood** Corp. have captured younger investors with commission-free trading.

Besides that, E*Trade is trying to court investors at a time when many have taken to simply matching the market's performance amid eight years of rising stock prices. Some $1.2 trillion has been withdrawn from actively managed U.S. stock funds since the start of 2007 through March, according to Morningstar Inc. Nearly the same amount, $1.1 trillion, has moved into passive U.S. stock funds that attempt to match the returns of broad indexes such as the S&P 500.

Shares of E*Trade have rallied nearly 10% this year to $38.03, keeping its gains close to rival Schwab, which is up about 9% this year. TD Ameritrade, meanwhile, is down 1.4%.

"E*Trade is smaller than some of its larger competitors, so they're going to have to keep looking for ways to be disruptive," said Devin Ryan, a brokerage analyst with JMP Securities.

E*Trade is targeting investors who trade 30 times a month or more on their own and like derivative plays, such as options, believing that its rivals haven't been catering to them much. Last year, it bought Aperture New Holdings Inc., the parent of online broker OptionsHouse LLC, for $725 million, to boost its derivative offerings and overhaul its trading platform.

Attracting those types of investors would bring Mr. Roessner closer to meeting the board's growth expectations. By the end of next year, Mr. Roessner says he has to boost the firm's net new brokerage asset and account growth rates by 2% to 3% each, while increasing the firm's mix of derivatives trades and amount of managed products, which includes services offered through its automated robo adviser.

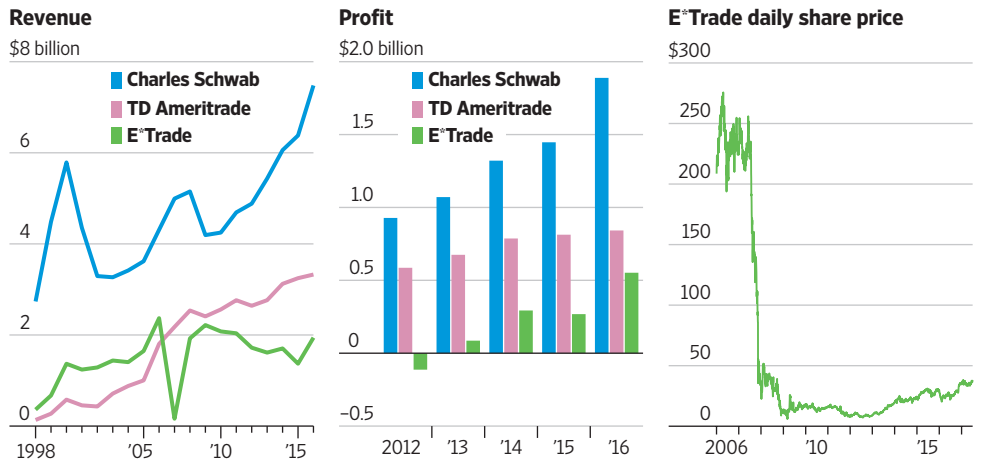
If E*Trade falls short of those goals, the board will then consider strategic alternatives, including a possible sale, Mr. Roessner said.

E*Trade has already approached some of those benchmarks, pushing its net new brokerage asset growth rate to 6.1% in the first quarter of this year from 3.8% last year, while net new brokerage account growth has more than doubled to 6.7%.

Analysts say E*Trade is moving in the right direction, but the brokerage industry's challenges can make further gains harder to obtain.

Going for Brokerage

E*Trade Financial has lagged behind rivals on profit and revenue growth in recent years, and its stock has languished as the company struggled to recover from the financial crisis.



Sources: Company filings (revenue, profits); WSJ Market Data Group (share price)

THE WALL STREET JOURNAL.

CHRISTIAN VERON/REUTERS

Demonstrators protest at the perimeter of an air force base during a rally against the Venezuelan government in Caracas on June 24.

Goldman Sells Some Venezuelan Debt

By Matt Wirz and Liz Hoffman

CREDIT MARKETS

Goldman Sachs Group Inc. has begun offloading some of the $2.8 billion in Venezuelan bonds it acquired in a controversial deal involving the country's central bank, according to people familiar with the matter.

The Wall Street firm's asset-management arm sold at least $300 million face amount of the debt to a small group of hedge funds in recent days, people familiar with the trades said.

The firm's purchase of the bonds in May drew harsh criticism from Venezuelan opposition leaders, some investors and U.S. Sen. Marco Rubio (R., Fla.) for supplying cash to authoritarian President Nicolás Maduro.

Goldman Sachs Asset Management sold the debt to promote trading of the bonds, which the firm hopes will push up prices and legitimize the securities in the eyes of other investors, people familiar with the trades said.

The trades come as Goldman closes its books for the second quarter on Friday, and could justify a higher valuation for the bonds, both in the price bump and by easing the "illiquidity discount" that is often applied to bonds that trade infrequently. The sale of even a sliver of the firm's holdings shows that some on Wall Street remain eager to trade in Venezuela's high-yielding debt.

Four or five hedge funds in London and New York bought the bonds of state-owned oil company Petróleos de Venezuela SA, or PdVSA, due in 2022 from Goldman for about 32.5 cents on the dollar, slightly more than the 31 cents the firm paid when it purchased the bonds from Venezuela's central bank in May, according to people familiar with the matter.

Goldman now has company in what has proven to be a controversial investment. In recent weeks, some firm executives have said privately that Goldman's chief mistake wasn't in buying the bonds—which fund officials felt were a good deal for their investors—but in going it alone, buying nearly all of the $3 billion issuance. That focused the blowback squarely on Goldman and left it with a shallow market to trade and value the bonds going forward.

Wall Street brokers, including **Barclays** PLC, **Morgan Stanley** and Nomura Holdings Inc. quoted the bonds around 34 cents on the dollar Thursday, investors said. The new buyers are hoping prices will soon rise in line with PdVSA bonds that were issued before Mr. Maduro became president in 2013 and trade around 40 cents, according to people familiar with matter.

The discount between the bonds due 2022 and PdVSA's pre-existing debt partly reflects uncertainty about whether the new debt would be treated equally if Venezuela defaults. Opposition lawmakers have threatened to repudiate the debt should they rise to power.

Investment banks have been courting GSAM for weeks to arrange the trade, anticipating the firm's need to create a market for the bonds. Sam Finkelstein, the firm's head of emerging markets, selected the U.K.-based broker Liquidity Finance because of his relationship with the firm, according to a person familiar with the matter. An official for Liquidity Finance said the firm declined to comment.

Buffett Moves on BofA

By Rachel Louise Ensign and Nicole Friedman

Warren Buffett's **Berkshire Hathaway** Inc. said it would buy 700 million **Bank of America** Corp. shares via warrants at below-market prices, a deal that places the firm as the bank's largest shareholder.

The move on Friday was expected after the Charlotte, N.C., bank received permission from the Federal Reserve this week to boost its per-share dividend to 48 cents a year. Mr. Buffett has said a dividend of this size would prompt his company to swap its preferred shares into common stock.

When the bank raises its dividend, Berkshire Hathaway will use $5 billion of preferred shares to buy 700 million common shares at $7.14 each, well below the bank's closing price on Friday of $24.26.

"We appreciate Mr. Buffett's continued support for the long-term value we are delivering through responsible growth and we welcome his decision," Bank of America said.

Bond Funds Resilient Amid Pullback Hints

By Justin Yang

CREDIT MARKETS

Investors have continued to pour money into bond funds in recent days even as fixed-income markets have slumped.

Inflows into fixed-income funds increased for a 15th week in a row in the week ended June 28, according to Bank of America Merrill Lynch, with some investors shrugging off the volatility that followed several central banks signaling a change of direction in policy.

Fixed-income funds this year have recorded only one weekly outflow. Last week, $4.1 billion flowed in, compared with $3.8 billion the week before, according to data from Bank of America Merrill Lynch.

Investment-grade funds have largely driven that push, with nearly $2.7 billion of inflows, almost double the rate the week before.

Government bonds took a hit this week after European Central Bank President Mario Draghi hinted Tuesday that the bank could start scaling back its €2.3 trillion ($2.63 trillion) bond-buying program with the eurozone economy showing strength.

On Wednesday, the heads of the Bank of England and Bank of Canada both raised the prospect of interest-rate increases.

The data, which only capture flows up until the end of Wednesday, suggest that not all investors immediately dumped bonds.

Fixed-income markets have been buoyed in recent years by central banks' stimulus measures of ultralow interest rates and large asset purchases, potentially leaving them vulnerable to a withdrawal of that support.

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06 Spider Red/Tan 12k DUE
06 Coupe Blk/Tan 11k $119K

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03 Spider Blk/Bge 13k $94K
03 Spider Red/Blk 13k DUE
01 Spider Gry/Gry 19k SOLD

348 TS
91 Targa Blk/Blk 23k SOLD
90 Targa Red/Bge 15k $58K

328 GTS
89 GTS Wht/Red 20k $119K
88 GTS Red/Tan 25k DUE

INTERESTING OTHERS
17 AM DB11 Mag Silver DEMO
17 AM DB11 Luna White DEMO
17 AM DB11 Dk Blu DEMO
16 Jaguar F-Type R Coupe AWD Wht 2k $87K
14 FIA GT3 Rare $475k
13 Aston Martin Volante 5k DUE
13 Aston Martin Vantage ProDrive GT4 $129K
09 DBS Sil/Blk 6SP 11k $124K
09 SL65 Blk/Blk 33k $72K
07 DB9 VOL Gry 18k SOLD
95 Defender 90 DUE
91 SCCA/TA/Vint. GT1 Weaver Camaro $89K
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MARKETS

S&P 500, Nasdaq Indexes Set High Bar

Despite pullbacks this week, tech sector has surged with boost from Amazon and Facebook

By Corrie Driebusch And Riva Gold

The S&P 500 posted its strongest first half of a year since 2013, boosted by solid corporate earnings and investors' expectations for improving economic growth.

The milestone capped a relatively rocky week, with technology shares swinging major indexes. Still, tech companies remain some of the best performers this year, propelling the Nasdaq Composite up 14% over the past six months, its best start in eight years. The index also has set 38 closing records in 2017, its most through the first half of a year since 1986.

EQUITIES

"When you look at tech, these are companies with the least baggage. If you look at some of the top performers, **Apple**, **Facebook** or Amazon, these are areas where people see growth or opportunity," said Tom Digenan, head of U.S. equities at UBS Global Asset Management.

The Dow Jones Industrial Average rose 8% in the first six months of the year, its best performance since 2013. The S&P 500 has gained 8.2% this year.

Stocks were mixed on the last day of the second quarter. The Dow Jones Industrial Average rose 62.60 points, or 0.3%, to 21349.63. The S&P 500 climbed 3.71 points, or 0.2%, to 2423.41, with the tech sector falling 2.9% for the week. The tech-oriented Nasdaq Composite slipped 3.93 points, or 0.1%, to 6140.42.

Facebook and **Amazon.com**, up 31% and 29%, respectively, this year, both dropped in the past week.

Shares of **Blue Apron Holdings**, the meal-kit-delivery startup that went public during the week, fell below their initial public offering price Friday. The stock closed at its IPO price of $10 in its first day of trading Thursday, then fell 66 cents, or 6.6% to $9.34 on Friday.

The Dow industrials, S&P 500 and Nasdaq Composite all posted weekly declines Friday.

Even as consumer confidence has risen since the election, some economic readings have come in softer than expected recently, causing some investors to question the longevity of the stock market's gains.

"The market's crafting a lot of excuses for why it's up the way that it is," said Michael Farr, president of money management firm Farr, Miller & Washington, adding that the thing that worries him most about the stock market's gains in the first half is the lack of concern among clients.

On Friday, data showed the Federal Reserve's preferred inflation gauge, the price index for personal-consumption expenditures, fell to the lowest level in six months.

U.S. government bond yields continued to rise after the reading, with the yield on the 10-year Treasury note climbing to 2.298% from 2.270% a day earlier. Yields rise when bond prices fall.

Still, the rise was modest compared with earlier in the week, when bond yields around the world jumped as central bank officials signaled they could be moving closer to withdrawing monetary stimulus. The yield on the 10-year Treasury stood at 2.146% the previous Friday, marking the biggest weekly yield increase since March.

Oil prices recovered slightly this past week, with U.S. crude for August delivery rising 7% to $46.04 a barrel. However, prices have dropped 14% this year, weighing on energy shares in the S&P 500, which are down by roughly the same percentage. The sector is the biggest decliner out of the S&P 500's 11 groups year to date.

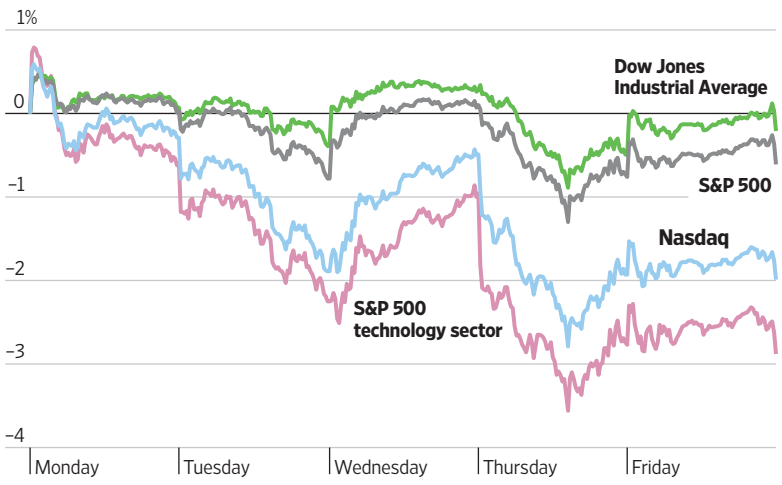
Elsewhere, the Stoxx Europe 600 fell 0.3% on Friday, adding to its monthly losses. European stocks fared well in the first six months of the year, with the Stoxx Europe 600 gaining 5%.

Japan's Nikkei Stock Average fell below 20000 for the first time in two weeks before recovering to end down 0.9%. Despite recent losses, the Nikkei ended the first half of the year up 4.8%.

—Lucy Craymer contributed to this article.

Choppy Week, Strong First Half

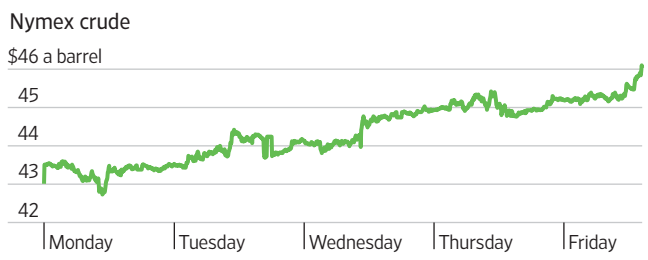
U.S. stocks posted weekly declines, with technology shares in the S&P 500 falling for the third week out of the past four.



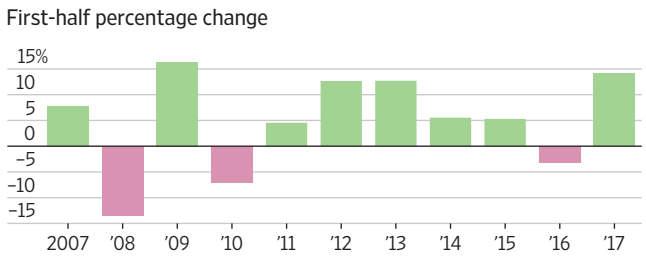
Treasurys weakened, sending yields higher after central bankers hinted at tighter monetary policy.

Higher yields and encouraging stress-test results supported bank shares...

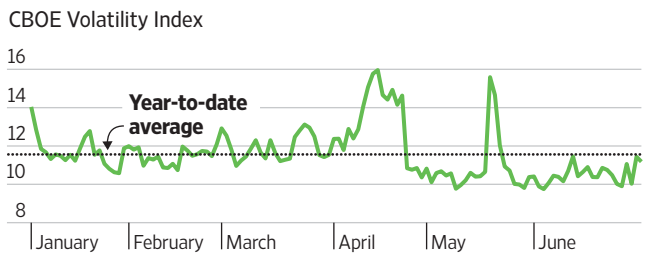
...while oil prices rose amid signs of a pullback in U.S. production.



Despite some recent stumbles in the U.S. stock market, the Nasdaq Composite notched its best first half of the year since 2009...



...and Wall Street's 'fear gauge' was on pace for its lowest annual average on record.



Source: FactSet

THE WALL STREET JOURNAL.

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Inflation Amnesia Threatens Fed

Inflation has been low for so long, Americans are getting used to it. For the Federal Reserve, that is a big problem.

The Fed assumes inflation is about to heat up but instead it is running cold. The Commerce Department on Friday said that its measure of consumer prices—the Fed's preferred inflation gauge—was up just 1.4% on the year in May. The core measure, which excludes food and energy prices to better capture inflation's trend, was also up 1.4%, marking its slimmest gain since late 2015.

As usual, there are arguments that transitory factors, such as lower costs for wireless plans, may be pulling overall prices downward. Other shifts, such as falling apparel prices, don't seem so temporary. If inflation is going to reach the Fed's 2% target, it is going to take time.

The problem for the Fed is that regardless of what is keeping prices down, the longer inflation stays low, the lower people's inflation expectations go.

Those low expectations feed into actual prices, because even during times of low unemployment, such as now, people don't demand as many wage increases and they don't spend now in anticipation of higher prices later.

Investors' inflation expectations have been running cold for a while now. The Treasury market implies that the Labor Department's consumer-price index (which runs hotter than the Commerce Department's gauge) will post an average gain of about 1.7% over the next decade.

What is more worrisome is that consumers' inflation expectations have been grinding lower.

On Friday, the University of Michigan said consumers it surveyed in June expect inflation to average 2.5% over the next five years, a bit higher than the 2.4% they expected in May, but a half-point lower than what they forecast in 2007.

Consumers' forecast of 2.5% inflation is, of course, higher than the Fed's 2% target. But consumer inflation forecasts are consistently above prevailing rates.

Economists at Evercore ISI suggest that a weakening trend in many services prices is consistent with actual inflation expectations that are about a quarter-point short of the Fed's target.

A quarter-point short might not seem like all that much, but it could cause some real problems for the Fed. If it wants to push expectations back up, it may need to leave policy looser for longer—and risking speculative excesses building as a result.

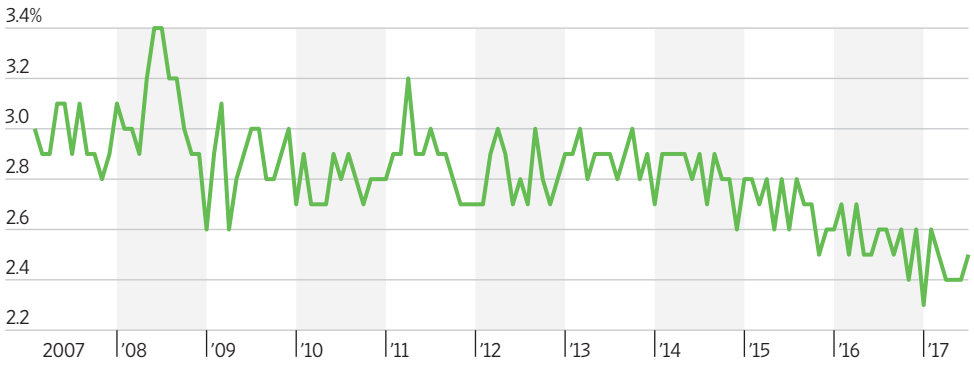
But if it settles for inflation at 1.75%, it not only would hurt its credibility over its inflation target, it would be setting the economy's just-right level of overnight interest rates a quarter-point lower.

Then, when the next recession came, as it someday will, it would have a quarter-point less in cuts before interest rates hit the zero bound.

—Justin Lahart

Cooling Down

Consumers' expected annual inflation over the next five years



Source: University of Michigan

THE WALL STREET JOURNAL.

To Markets: Just Relax, From China

Investors have become accustomed to rude shocks from China, so it's always nice to get some unexpected, encouraging news.

China's June purchasing managers index fit the bill; it ticked up after stalling out for two months, in a sign that this spring's crackdown on financial-market leverage has, so far, done limited damage to the real economy.

More important, the percentage of businesses reporting stable or improving export orders hit its highest level since early 2012, a bullish signal on global growth after a week of stock- and bond-market selloffs.

Weakening trade data from Taiwan and Korea, and faltering U.S. consumer confidence earlier in the second quarter had suggested a cautious outlook about global demand. But this latest China data, paired with bullish signals from Europe, suggest it is doing just fine. The selloff in oil, which some had taken as a signal of weakening growth, has also now reversed—for now—as initial signs of weaker U.S. supply growth boost sentiment.

There were some discouraging signs: The PMIs for small and medium-size enterprises were lower in May, although they still indicated growth. Smaller firms, which often need to rely on shadow banks for loans, may be feeling the hit from slower credit growth sooner than big state firms.

Manufacturing employment also weakened again. A weaker job market and tougher conditions for small firms could mean a deeper slowdown in the second half.

But for now, the message from China to the world is: steady onward.

—Nathaniel Taplin

An Elixir for the Drug Industry: Price Cuts

Health-care regulators are publicly naming the drugs most vulnerable to price gouging. That is a good thing for the pharmaceutical industry.

This week, the Food and Drug Administration published a list of dozens of drugs whose patent protection has expired but lack generic competition. In a signal that it is eager to approve fresh competitors, the FDA noted that some of the drugs on its list could be approved without prior discussion with regulators.

A generic-drugs trade group, the Association for Accessible Medicines, called the move a "tremendous benefit for our nation's patients."

That is true. What is surprising is the added competition the FDA is seeking should help the drug industry overall, even if profits are slightly lower. The reason is that the most heavily criticized pricing abuses have occurred in these drugs.

If the FDA's plan works, there will also be fewer drug executives called in for congressional hearings, which will ease some of the negative attention on the industry.

For instance, Daraprim, the **Turing Pharmaceuticals** drug that helped ignite the drug-pricing firestorm in 2015, appears on the list. So are Cuprimine and Syprine, drugs owned by **Valeant Pharmaceuticals International** that were the subject of a Senate committee hearing on drug prices last year.

The Trump administration is preparing an executive order on drug pricing, a big wild card. And any changes to the Affordable Care Act could still hammer the drug industry.

For its first effort to give patients greater access to medicines, the FDA has produced something to please industry critics and insiders alike.

—Charley Grant

OVERHEARD

When **Apple** launched the iPhone 10 years ago, it touted the device as revolutionary, but it made sure to emphasize one important task it could perform: make phone calls.

When he presented the iPhone for the first time on stage in early 2007, then-CEO Steve Jobs spent a lot of time talking about the actual phone in the iPhone. Making calls was "the killer app" for the new device, he said.

Apple, which had never made a phone before, maintained that focus when the device went on sale six months later, with its press release headlined: "iPhone delivers up to eight hours of talk time."

Today, phone calls on smartphones are almost quaint and extremely awkward on some big devices.

Most surveys now rank talking among the least popular of smartphone activities, and quality of voice calls is still a frequent complaint for smartphone users.

Only Apple knows for sure what's in the 10th anniversary iPhone, but if the iPhone 7, the most recent model is any guide, the killer app of the original phone will hardly be mentioned.

No one buys a phone for making calls now anyway.

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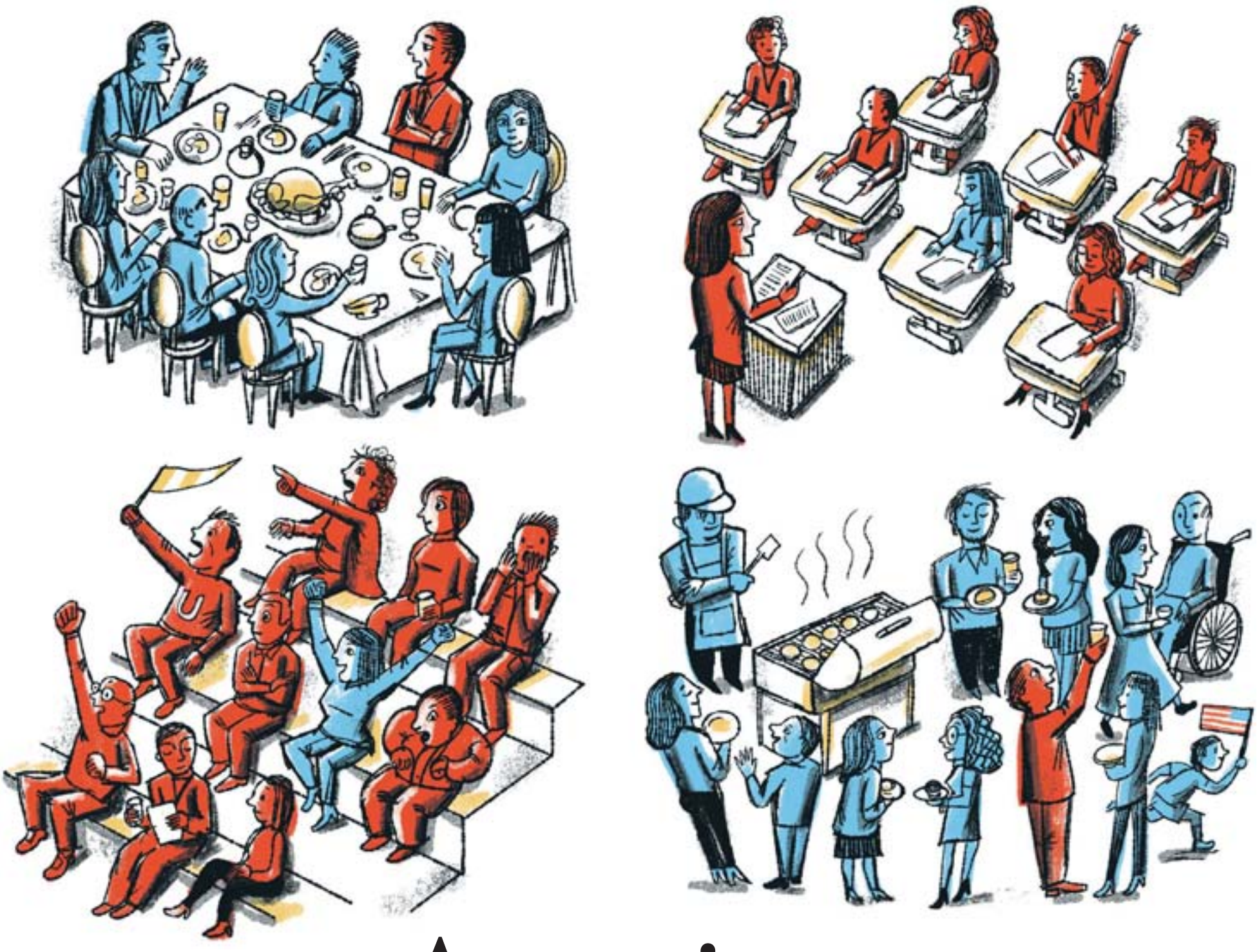

America, Meet America

How can we get past today's toxic partisanship and political segregation? Bringing back domestic-exchange programs could help remind citizens what we all have in common.

BY AMANDA RIPLEY

WE AMERICANS have a new enemy, and it is ourselves. Half of Democrats and Republicans now see members of the opposing party as not just ill-informed but actually frightening, according to the Pew Research Center. In experiments with thousands of Americans, researchers have found that partisan animosity can now exceed racial hostility: When awarding hypothetical scholarships and cash, we are more likely to discriminate based on politics than race. As of 2010, a third of Democrats and half of Republicans said that they would be upset if their children married someone from the other party—up from about 5% from each group in 1960.

Why do we hate each other so? One reason is that Americans are more politically segregated than in the past. We are less likely to have neighbors who belong to another party than we were 20 years ago. And one thing we know about human behavior is that it is easier to hate people you don't know.

Seventy years ago, almost to the day, a group of American ambulance drivers, disgusted by the waste and carnage they'd seen in the World Wars in Europe, started up a cultural exchange program between Europe and the U.S. The idea was simple: If people knew each other—really knew each other—they would be more tolerant of one other. It's harder to demonize someone once you've stayed in their homes and shared meals and stories together.

So after helping to evacuate Germany's Bergen-Belsen concentration camp, the American Field Service ended its volunteer ambulance corps and became a student exchange program. In 1947, 53 students from 11 nationalities came to the U.S. and France to study and live for one year among foreigners.

"You can't know each other and be enemies between yourselves," President Dwight Eisenhower told a group of 1,150 foreign exchange students in Washington on the 12th anniversary of AFS. Since then, the global program has brought hundreds of thousands of young people into homes and schools far outside their comfort zones, building trust and relationships across oceans.

'You can't know each other and be enemies between yourselves.'

Then, in the 1970s, the U.S. chapter of AFS started an additional program for exchanges within the country. Over the life of the program, more than a thousand teenagers would travel from Kansas to California, from Florida to New York and beyond—crisscrossing the country to live for a summer or a semester with host families, discovering new food and strange customs within their own country.

In June 1979, 17-year-old David Angel took a Greyhound bus from Goodland, Kan., to McConnellsville, N.Y. As his bus pulled into the station, his heart pounded in his chest. He would be living in a very small town in upstate New York, near Syracuse, but in his mind, it might as well have been Tokyo. "I imagined people from New York being very sophisticated and continental," Mr. Angel said, "and I was afraid I'd be Mr. Redneck Country Bumpkin."

But his host family was warm and welcoming: "They met me at the bus station and just wrapped me up in their arms." That summer, Mr. Angel mixed concrete, swam in rivers and went fishing. Each evening, his host parents, grandfather and sister would gather in the living room for drinks and conversation, and Mr. Angel would listen and learn, sometimes chiming in with his own ideas. To cap off the experience, he spent a wild two weeks in New York City, visiting the Twin Towers and the Statue of Liberty and seeing "The Rocky Horror Picture Show."

The experience left him more culturally agile. "I'm in my 50s now," he says, "and even to this day, I use that tool regularly—to remind myself, 'OK, this is my opinion, and that is their opinion, and there are different opinions.' It makes everything less black and

Please turn to the next page

Ms. Ripley is a senior fellow at the Emerson Collective and the author of "The Smartest Kids in the World—and How They Got That Way" (Simon & Schuster).

ILLUSTRATION BY ROBERT NEUBECKER

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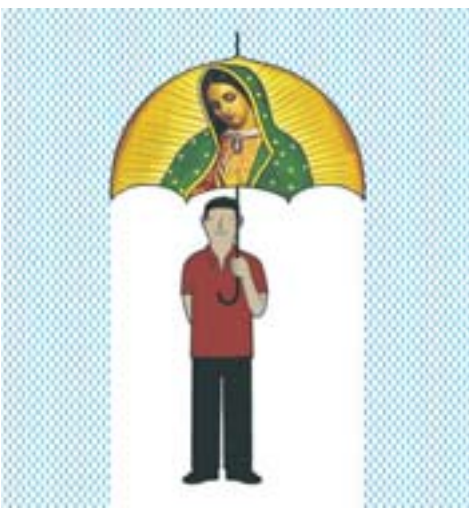

MIND & MATTER:
MELVIN KONNER

In Tough Times, Religion Can Offer A Sturdy Shelter

ZEALOTS in our time have spilled enough blood in the name of religion that some authors—for instance, the late Christopher Hitchens in "God Is Not Great"—have blamed religious feeling itself for evil deeds. But a flood of recent research has shown how faith strengthens resilience to stress, including illness. A new study extends that research to Mexican immigrants in the U.S.

Strikingly, many of these studies on faith have come out over the past few years. Some are U.S.-based: Research published in May found that among more than 5,000 American adults, regular churchgoers had better physiological stress measures and lower mortality. The Black Women's Health Study reported in April that it had found a similar mortality benefit among 36,600 women. A 2015 article on 32,000 cancer patients found better physical health in those with greater religion and spirituality.

The effects transcend borders and particular religions. Among 37,000 patients in Japan, the more religious had fewer cardiovascular risk factors and were less likely to get diabetes; so were Orthodox Christians in Greece. Religiousness was associated with better compliance in dialysis patients in Saudi Arabia; in Northern India, Hindu identification predicted better coping with stress. Both Buddhist and Muslim women in Thailand managed their diabetes better if they were religious. Even in secular Denmark, religion protected health.

Mary Read-Wahidi and Jason DeCaro, anthropologists at the University of Alabama, explored the stresses of immigration in Scott County, Miss., publishing their work in May in the Medical Anthropology Quarterly. Between April and August 2013, the researchers systematically interviewed 60 Mexican immigrants sharing a devotion to the Virgin of Guadalupe in the county, in the central part of the state.

Religious women in Thailand managed their diabetes better.

As earlier researchers had shown with African-American women facing racism and so many others around the world dealing with illness, religious observances moderate the stresses of life in a new country.

Anthropologists would call the Virgin of Guadalupe a master symbol—one that has many meanings and functions in people's lives. Her following is particularly strong in Mexico, where, according to legend, she appeared in 1531 to a poor peasant named Juan Diego and—in winter—filled his cloak with flowers. Soon a local bishop and eventually the Catholic Church were persuaded by Juan's account. The immigrants of Scott County identified with the humble Juan Diego and melded their religious feeling with strands of nationalism: He was indigenous, yet under Spanish colonialism he had become a stranger in a strange land.

Some of the immigrants in the study were undocumented, living in fear of discovery. Many were doing hard, dangerous work, and most didn't have health insurance. Dr. DeCaro calls them "a deeply disempowered community." The researchers tested them on the Immigration Stressor Scale, with questions like: How often do you feel lonely or isolated? How often do you worry about meeting the basic needs of your family? The subjects also rated their own physical and social well-being.

Additionally, the researchers developed a scale for "cultural consonance" with Guadalupan devotion—in other words, how many Guadalupan beliefs and practices the subjects adopted, such as keeping a statue of the Virgin in their homes or cars, pursuing the tradition of bringing her flowers (recalling her favor to Juan) or rating her annual festival as very important. Paths to high-consonance scores could vary, from praying to the Virgin regularly to attending communal events in her honor. Those with high cultural consonance were resilient to the effects of stress on well-being: Greater immigration-related stress wasn't tied to worse physical or psychosocial outcomes. Those with low readings on the cultural consonance scale showed lower well-being with greater stress.

"Guadalupan devotion is buffering that negative effect," Dr. Read-Wahidi said. Spiritually or psychologically, the Virgin of Guadalupe is helping her Scott County followers hang on.

TOMASZ WALENTA

Time to Meet the Other America

Continued from the prior page

white."

Today, Mr. Angel lives in Los Angeles, and some of his friends lack this skill, he says. "Either you're a Republican, or you're dead to them. And some of my Democratic peers are the same way," he says. "I find that troubling. There is so much that our country has to offer."

AFS-USA's domestic-exchange program ended sometime in the mid-1980s, as the organization returned its focus to international exchanges only. But since the 2016 election, its leaders have heard from people who want to restart the domestic program.

"These days, we are asking how we can contribute to building a more just and peaceful world—right here in our own country," says Jorge Castro, the president of AFS-USA, based in New York. The organization is sponsoring a national survey later this year to gauge potential interest in such a program and beginning to contemplate ways to fund domestic exchanges. "Before knowing or understanding other cultures abroad, you have to understand your own," says Mr. Castro.

In 2011, as part of a book project, I followed three American exchange students who were spending a year living and studying in countries far from their homes. At first, I was struck by their courage in deciding to go to South Korea or Finland, when it would have been much easier to stay home in Minnesota or Oklahoma, surrounded by the familiar and the comfortable.

But over time, I saw something even more impressive. When I visited these teenagers in their borrowed cities and villages, I could tell they were becoming more flexible, more at peace with uncertainty. Yes, they had developed empathy for other points of view, which is priceless. But they were also letting go of some of the fears that hold so many of us back. It was like they had shrugged off a layer of assumptions and judgments and could move more easily through the world, unencumbered.

Even within states, our differences can be bewildering.

Americans relied on domestic-exchange programs at another point in our history: in the 1960s, a time of wrenching tensions over war and race. Back then, a group of historically black colleges and universities set up domestic exchanges with majority white universities in other states. And just as AFS did after World War II, the exchanges forced interactions that would never have happened otherwise.

Many of those exchanges faded away with time, but not all. Every year, Brown University in Providence, R.I., and Tougaloo College, a historically black college near Jackson, Miss., still host exchanges—connecting a blue state to a red one, not with commerce or webinars but with human beings who arrive with duffel bags and stay past the point of discomfort. More than 500 students and faculty have participated in the exchange over the past 50 years.

"It's almost like two different countries," says Waynesha Blaylock, 23, who grew up in Texas and Mississippi before spending a semester at Brown in the spring of 2015. During her first weeks in Rhode Island, what she missed most was the Southern hospitality—the way her adviser at Tougaloo would welcome her to her office every day; the way everyone would say hello on campus, without fail. At Brown, most people seemed cold and unwelcoming. And she ached for a good Sunday dinner. "I could not find any good fried chicken. I was really heartbroken about that," she told me, laughing. Also, "sweet tea" in Rhode Island is not really sweet tea, she discovered.

But over time, she learned to reinterpret that aloofness—to see it as cultural, not personal. And she taught the Brown students too, giving a talk in her public-speaking class on the value of Southern hospitality, for example. "Most people in that class, they would all wave and stop and talk to me after that," she remembers.

Today, Ms. Blaylock is in medical school—back at Brown University. She wouldn't have thought to apply there if not for the exchange program, she says: "I didn't know what an Ivy League school was." But she still finds herself playing the role of anthropologist every so often. "There are plenty of people here who have no idea what the South is like," she says. And that ignorance can have real consequences for physicians in training. "We have discussions about obesity," she said, "and I have to explain that it's just not that easy to change your diet in the South."

The Brown students who come to Tougaloo have their own struggles. "We had a Brown student who had spent a semester in Amsterdam, and she said it was nowhere near as different from Providence as Tougaloo," says Elise Morse-Gagné, who teaches English at Tougaloo. "The food is very different. The economy is different. The attitude toward education is different. Religion is colossal."

She herself came to Tougaloo from New England. Over the years, she's learned to recognize biases in both places. In the North, for example, "white liberal academics tend to be extremely dismissive of Christianity," she says. In Tougaloo, that kind of prejudice would be problematic. "Every meeting on campus here starts with a prayer, and it's a Christian prayer, and it's just taken for granted," she says. "You can't afford to be dismissive of the beliefs of the people you live around."

Two years ago, Ms. Morse-Gagné's husband died, ahead of his time. And again, she was reminded of the cultural differences. "People were warm, they were loving, and they were helpful in practical ways," she says. They brought food and they took over her classes. The college president and the provost came to the hospital. At a New England university, she suspects, many people wouldn't have known what to say or do, and the response would have been more strained.

The world is a big, complicated place, but so is this country. Maybe it is time to start treating America as a collection of different countries, one that has lost its common language but remains inextricably intertwined.

"You can't say that the United States is one culture. We are definitely different in every single community," says Debra Sanborn, the president of the National Student Exchange—another organization started in the turbulence of the 1960s, which now works with 2,000 students at 160 different North American campuses each year. Many students leave seeking a change of weather or different classes; they don't go in search of cultural difference, but they often find it.

Even within states, our differences can be bewildering, as Savannah Barrett learned in Kentucky. She grew up on a seventh-generation tobacco farm before moving to Louisville. When she first arrived, she found that city people judged her by her strong country accent. "I've been told that folks just don't think I sound smart," she says. She and a friend with a similar background were struck by how many biases city people had about country folks—and vice versa.

In 2014, Ms. Barrett and her friend started the Kentucky Rural-Urban Exchange to bring rural and urban people together for immersive experiences three weekends a year. To date, 160 people from 34 Kentucky counties have participated. People of all ages apply to the program, which is free, and about half are accepted, based on the mix of experiences and interests they bring to the group. The itinerary is carefully curated to deepen participants' understanding of Kentucky's history, culture and identity, while also equipping them to solve specific community problems.

But it's essential to make people comfortable, too, Ms. Barrett has learned. That's when they let down their guard. "We start and end every weekend with a meal," she says. The program reflects the identity of the different Kentucky towns in which it takes place and typically includes a hike, a cultural performance and a visit to a swimming hole. "What we have found is that it's really difficult to hate someone you've had deep, meaningful, transformative experiences with—and whose community you've really come to value because you've felt welcome and appreciated there."

This holiday weekend, Ms. Barrett will facilitate her own micro-exchange: bringing a group of her Louisville friends to the farm where she grew up. That's her July Fourth tradition. From experience, she knows there may be some difficult moments, but it will be worthwhile. "We crave a deeper connection with folks who are different from ourselves," she says.

In recent months, people from Minnesota and other states have reached out to Ms. Barrett for advice on setting up similar exchanges, and she is working on creating a shareable tool kit.

We need to make America whole again. The country has been weakened by our mutual disdain and shared ignorance. We should tap the wisdom of Ms. Barrett, AFS and other exchange experts to help us create opportunities for Independence Day exchanges across the country—an annual tradition where Americans open up their backyard barbecues and remember what we have in common.

We don't have to agree about politics (we won't); we don't even have to talk about Donald Trump (probably better not to). But as Americans, we share very few cultural traditions. So we should make July Fourth a time to come together and get reacquainted. We share more than our affection for grilled food and fireworks; we also believe in the right to life, liberty and the pursuit of happiness.

And if that isn't enough, we Americans also like to win. Right now, a majority of Democrats and Republicans say members of the other party are "closed-minded," according to a 2016 Pew survey. Wouldn't it be fun to prove each other wrong?

RACHEL R. HAGAN

A BRUNCH at a Kentucky Rural-Urban Exchange event, June 2014. The group hosts immersive experiences three weekends a year.

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REVIEW

INDIAN Prime Minister Narendra Modi during an election campaign rally, New Delhi, Feb. 1, 2015.

VIRENDRA SINGH GOSAIN/HINDUSTAN TIMES/GETTY IMAGES

Modi's Illiberal New India

His Hindu nationalism reigns in politics, media and culture

BY AATISH TASEER

INDIAN PRIME MINISTER Narendra Modi has come a long way. After being virtually banned from the U.S. for years over his failure to control anti-Muslim riots in his home state of Gujarat in 2002, he came to Washington for a triumphant first visit Monday with President Donald Trump—complete with bear hugs, defense deals and a welcoming tweet from the first lady.

The Hindu nationalist's arrival in Washington was a reminder that of all the recent revolutions at the ballot box, Mr. Modi's was the first. This week, pundits noted similarities between the two populist leaders: Both Mr. Trump and Mr. Modi have made political careers out of anti-Muslim animus, tapped nationalist passions, stoked the fires of intolerance and pursued vendettas against impertinent media outlets.

Yet these symmetries unfold in fundamentally different contexts. America has experienced a political upheaval, but it retains that supreme achievement of a mature democracy: It has two credible sides, left and right; the two sides have held, more or less; and the pendulum may swing again before long.

India has experienced something quite different in the three years since Mr. Modi took power. The "other side"—liberal India, secular India, the India of Nehru and Gandhi—hasn't merely been decimated electorally; it has ceased to exist as a cultural and moral force. In area after area of life—from politics to media to cinema—there is now Mr. Modi's India, and then a great void. The India of my childhood, with its fond notions of Hindu-Muslim unity, has gone under. It is as complete and comprehensive a defeat as one can imagine.

Last month, I traveled to Gorakhpur, in eastern Uttar Pradesh, India's most populous state, where nearly 20% of the residents are Muslim. In state elections this March, Mr. Modi's Bharatiya Janata Party, or BJP, won some 300 of the 400 seats. Mr. Modi's choice of chief minister was Yogi Adityanath, a Hindu priest in saffron robes and longtime parliamentarian. His anti-Muslim rhetoric has been so hateful—he has told his followers that if Muslims "kill one Hindu man, then we will kill 100 Muslim men"—that he was once beyond the pale. Today, his popularity threatens to eclipse Mr. Modi's. As S. Prasannarajan, the editor of Open magazine, told me recently, "Yogi Adityanath becoming chief minister of [Uttar Pradesh] is the single biggest event in Indian politics since Modi became chief minister of Gujarat."

The secular nation of Nehru and Gandhi has ceased to exist.

On my flight to Gorakhpur was R.P.N. Singh, a member of the ancien régime and a former member of Parliament from the opposition Congress Party. (The party of Nehru was reduced to 44 seats out of 543 in 2014.) Mr. Singh—a graduate of India's equivalent of Andover, the son of an MP, and a minister under Indira Gandhi—was well-mannered, soft-spoken and self-effacing. After the flight, he introduced me to a BJP politician in the corrugated iron shed that is Gorakhpur airport.

The BJP man, dressed in a saffron kurta, with a chrome watch around his wrist and an expensive gold pen dangling from his pocket, looked the part of a venal politician. He was unable to resist mentioning that he had been repeatedly elected, which felt like a jab at the recently defeated Mr. Singh, and I realized that Indian politics now belonged to this other kind of leader. The class of person Mr. Singh represented had served—as Nehru had—as intermediaries between India and the West. But that age of custodianship was over, and India was in Indian hands, as it had never been before.

The effects of this change were visible in cinema too. A new kind of movie, with a bold, mythical Hindu theme, had become the biggest Indian hit of all time. "Baahubali 2: The Conclusion"—the tale of "warring cousins who fight for the kingship of an ancient kingdom," as the Times of India put it—was not a Bollywood film but a south Indian film. (The south Indian states each have robust film industries, but they are regional; never before has a south Indian film so dominated the national and international stage.) Karan Johar—the film's distributor in north India—told me that it had defied all expectations.

Its director hadn't intended it to cater to the Hindu right; but, by exciting old myths of valor and strength, it had. Steeped in Hindu ideas of kingship and virtue, the film diverged from traditional Bollywood pieties about a shared Hindu-Muslim culture. Mr. Modi's India has scant room for romantic ideas about Muslims or their place in Indian society.

The remaking of India's cultural landscape was affecting the English media too. When I was covering the 2014 election for Open magazine, there were two—maybe three—English-speaking journalists who openly supported Mr. Modi, and they were pariahs for it. Three years on, the change was staggering. Old TV hosts with bow ties and Oxbridge accents were being weeded out; Barkha Dutt, the country's most famous liberal anchor, was off the air; and earlier this month, the owners of New Delhi Television, a private broadcaster critical of the government, were raided by a government agency. But the raid almost wasn't needed: The channel, out of step with the times, was fading. Meanwhile, a new nationalist channel had taken to the air, making no distinction between enemies of the government and enemies of the country. Within weeks, Republic TV had seized a 52% market share, according to the Broadcast Audience Research Council of India.

The most obvious consequence of India's new anti-Muslim atmosphere has been a spate of gruesome cow and beef-related murders. The cow is sacred to Hindus, but the current hysteria has been engineered. During his 2014 campaign, Mr. Modi whipped crowds into frenzies over a supposed conspiracy by his political foes to slaughter cows and export beef.

Since he took power, India has seen more than 60 incidents of cow-related mob violence, in which the overwhelming bulk of the 23 reported fatalities were Muslim. Mr. Modi has had very little to say about these deaths. On Wednesday, anti-lynching protests erupted in cities nationwide, and Mr. Modi finally bluntly condemned the violence. "We belong to a land of nonviolence," he said, invoking Gandhi.

But it may be too late; the Indian street is on the boil. In the U.S., Mr. Trump faces a free press, a galvanized opposition and a Republican Party with deepening misgivings. In India, Mr. Modi faces only himself.

Mr. Taseer is the author, most recently, of the novel "The Way Things Were."

YES, PARENTS DO HAVE A FAVORITE CHILD

BY JENNIFER BREHENY WALLACE

THAT CHILDHOOD HUNCH that your parents had a favorite was probably right.

In a study published last year in the Journal of Marriage and Family, 75% of mothers admitted to being closer to one adult child. Researchers of a 2005 study observed that 70% of fathers and 74% of mothers demonstrated preferential treatment to one of their children.

Favoritism is as widespread as it is taboo, says Washington, D.C., psychologist Ellen Weber Libby, author of "The Favorite Child." "Parents need to know that favoritism is normal," she says, and it exists to some degree in every family. Some parents may prefer a child who is more like them. The favorite can also change over time; a parent may prefer a child in a particular stage, such as an infant or a teenager.

However, she adds, "When preferential treatment is consistently focused on just one child or is used to boost a parent's self-esteem and feed their own ego, then it can easily cross the line to being unhealthy."

JONATHAN CARLSON

Decades of research shows that when children feel that they aren't being treated equally, they can be more vulnerable to depression and low self-esteem, as well as to getting into trouble. Just the perception of favoritism can make a negative impact on a child's behavior, according to a 2014 study published in the Journal of Family Psychology.

Still, it depended on the circumstances. Lead researcher Alex Jensen of Brigham Young University recruited 282 families with adolescent siblings to look at the effects of perceived preferential treatment. Through interviews with the parents and children that assessed levels of intimacy, conflict and risky behavior, Dr. Jensen found that in more distant, "disengaged" families, children who viewed themselves as slightly less favored were twice as likely to use alcohol, cigarettes or drugs. In close families, perceptions of favoritism didn't have an impact.

Being the golden child can come with its own set of baggage, too, according to a 2015 study published in the Journal of Gerontology: Social Sciences. Researchers interviewed 725 adult children and their mothers to assess levels of emotional closeness, conflict and perceptions of a mother's pride and disappointment, as well as of depressive symptoms among the children.

The researchers found that those who were perceived to be the closest emotionally to their mothers paid a price. "Favored adult children reported higher depressive symptoms than did other siblings, possibly due to strained sibling relationships and increased feelings of responsibility for the emotional care of their mothers," says the study's lead author, J. Jill Suitor, a professor of sociology at Purdue University.

For parents, having a favorite child can elicit feelings of guilt, which can lead to denial. Dr. Libby says, "Denying your favoritism is the worst thing a parent can do because it will make you less likely to pay attention to it." Accepting that favoritism likely happens in your family, she says, will better equip you to address it head on with your own children.

Some tips for keeping a healthy balance:

Don't compare. Dr. Jensen's recent research finds that some children are more focused on how they measure up to their siblings, and that those children are more likely to show signs of depression. Avoid comments like, "Why can't you be more like your brother?" which can normalize and encourage harmful comparisons.

Play favorites equally. Make sure each child gets star treatment: For example, if weekends are consumed by your daughter's soccer games, then find time during the week to focus on your son's interests.

Get feedback. To keep yourself in check, ask your spouse for feedback, says Dr. Libby. If you're a single parent, ask a trusted friend. You can start the conversation by asking, "In your honest opinion, do I treat my children fairly? Do I recognize their individual needs?"

Listen for complaints. When children point out favoritism, listen to them, says Dr. Libby. Be open to what they have to say and resist the urge to defend yourself or to deny it. Welcome the opportunity to have an open conversation instead.

Ms. Wallace is a freelance writer based in New York.

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WORD ON THE STREET: BEN ZIMMER

A Genuine History of 'Bona Fide'

WHAT COUNTS as a "bona fide" relationship? That question has been dominating discussions of President Donald Trump's controversial travel ban, ever since the Supreme Court ruled on it earlier this week.

On Monday, the court said that a modified version of the ban, which restricts travel from six majority-Muslim countries, could be implemented temporarily while the Trump administration appeals lower-court decisions that blocked it entirely. The high court's decision, however, exempts from the ban "foreign nationals who have a credible claim of a bona fide relationship with a person or entity in the United States."

The ruling specifies that "for individuals, a close familial relationship is required." On Wednesday, the State Department clarified to embassies that such "bona fide" relationships would not extend to grandparents, grandchildren, aunts and uncles, among others.

Nothing in the history of the Latin phrase "*bona fide*" would help determine which relationships are more legitimate than others in the eyes of the law. It comes from the expression "*bona fides*" (pronounced "BOH-nuh FEE-days" in Latin) meaning "good faith." That becomes "*bona fide*" ("BOH-nuh FEE-day") when put in the ablative case, which in English would be expressed as "in good faith." The same root can be found in words like "fidelity," "infidel" and the dog's name "Fido" (literally, "I trust" in Latin).

"Bona fide" was originally borrowed into English as an adverb describing things conducted faithfully or genuinely. During the reign of Henry VIII in the 1540s, an act of the English Parliament regarding bankruptcy used the phrase in this way: "the same to proceed bona fide, without fraud."

By the 18th century, "bona fide" also came to be used as an adjective meaning "done in good faith." Cases in the English court of chancery from 1755 referred to "a bona fide payment" and "a bona fide purchaser."

A Latin phrase in a big travel-ban ruling.

As "bona fide" worked its way into English, its pronunciation became less faithful to the original Latin. It got pronounced as "BOH-nuh FIE-dee," ultimately transforming (especially in American English) into "BOH-nuh-fied."

Meanwhile, the noun "bona fides"—typically pronounced "BOH-nuh FIE-dees"—has been treated as a plural (though it wasn't in Latin), given the meaning of "credentials" or "guarantees of good faith." In his book "Garner's Modern English Usage," Bryan Garner writes that "making 'bona fides' singular sounds pedantic; making it plural is likely to offend those who have a smattering of Latin."

While the adjective "bona fide" in general use has come to mean something like "sincere," in legal circles it has stayed closer to its Latin roots of "good faith." Thus, when the Supreme Court seeks to specify a "bona fide relationship" in the travel-ban case, it isn't ruling that extended family relations are somehow less than genuine. Rather, for a traveler to qualify for an exception to the ban, authorities need to establish the person has a "good-faith" claim of a close tie to someone in the U.S.

And if a claim is made in bad faith? There's a Latin phrase for that, too: "*mala fide*."

ISTOCK

EVERYDAY PHYSICS: HELEN CZERSKI

The Ring of a Ripe Watermelon

WHEN I LIVED in Rhode Island eight years ago, my seasonal clock was set by my swim team. Every spring, we switched our indoor pool sessions for much choppier circuits in the Atlantic parallel to the long, straight shore of Narragansett beach. And when we waded out afterward, peeling back our wetsuits and inspecting the occasional jellyfish sting, someone always produced a watermelon.

Coming from the U.K., I found watermelons slightly alien: giant balloons masquerading as fruit, too large to take seriously. The mystery to me was how anyone ever knew that this giant green lump was ripe. One person told me that you tap on it and listen, but someone else quickly jumped in to label this as an urban myth. Who was right?

Sound advice for knowing when a fruit is ready.

The tapping test depends on the fact that no solid object is perfectly rigid. They all have some elasticity (with limits, as anyone who has ever dropped a glass knows), and that means if you tap them, they will deform ever so slightly. But they rapidly spring back, overshoot and become a new deformed shape—and so you've started an oscillation.

For instance, if you tap a coffee mug with a spoon, the tube of the mug (looking down from the top) becomes slightly football-shaped, then springs back and overshoots to become football-shaped the other way, and then back again. The vibration is far too small to see, but the solid surfaces of the mug push on the air, creating soundwaves that you can hear.

Here's the useful bit: The speed of the vibration, how quickly it dies away and the shape of the deformation all depend on the size and shape of the mug and what it's made from. Fill the mug with water, and the pitch of the note drops because there is now extra mass inside that has to be shunted about, slowing the oscillation down. There's a huge amount of information about the structure of a solid object hidden in its acoustic signature, and the ripeness of a watermelon is closely related to its structure.

The first test for watermelon quality is whether it has an unwanted air gap inside it. When you tap on a nice, clean shape like a mug, what you hear is close to a pure note—the structure is symmetrical, and it rings like a bell. The same is true for watermelons. If you get a note with an identifiable pitch, the fruit is probably solid all the way through. A dull thud indicates that it's asymmetrical on the inside, and best avoided.

The next question is ripeness. As watermelons ripen, their flesh becomes more dense but less elastic, and the combination means that a riper watermelon will ring with a lower note. This sounds useful, but there's a complication. If you line up a few coffee mugs of different sizes and tap them, you'll hear that the bigger mugs ring with lower notes (they vibrate more slowly) because of their size. So it is with the watermelon: What you hear also depends on how big the fruit is. There is no perfect note, but there is a perfect note for a fixed size of fruit. You need experience with lots of ripe watermelons to make the correct diagnosis, so this isn't a quick fix.

Watermelons aren't the only objects that ring like this. Although we can't hear it, our entire planet will vibrate after a large earthquake (greater than magnitude 8.3), giving away clues about what's in its core. A ripe watermelon will take about 9 milliseconds to go through one cycle of oscillation. The equivalent vibration mode for Earth takes 54 minutes, but the principle is exactly the same.

So listening to a watermelon really is useful, after a bit of practice. But it also opens the door to the richness of the acoustic world, where even a brief tap causes every object to sing its structure for all to hear.

R&D: DANIEL AKST

Where the Sensor Meets the Road

ARE YOUR tires worn out? Could you even tell if they were?

Driving with worn-out tires can be dangerous, but it isn't always obvious when they need to be replaced. Now researchers at Duke University have come up with a low-cost sensor system that they say can monitor tire wear and sound the alarm when the tread is getting low. They say the sensors can also signal uneven tire wear that could point to the need for repairs or a wheel alignment. And the sensors could provide tire manufacturers with a trove of data on how their tires perform in real-world use—data that could lead to safer, longer-lasting tires.

The sensors are pairs of electrodes—closely spaced bits of metal—printed on a heat-resistant plastic sheet that can be used to line the inside of a tire. These electrodes are made of incredibly tiny structures called carbon nanotubes, known for their strength and ability to conduct electricity. A long-lived battery supplies a very small voltage to one electrode in each pair, resulting in an electrical field between pairs of electrodes. This field extends up into the rubber of the tire.

As the tread wears off, the tire grows thinner, altering the electrical field. During driving, information about this field is collected by a microchip in the tire. If the tires are worn thin enough to be replaced or the wear pattern implies trouble, the car's dashboard will alert the driver. "With all of the technology and sensors that are in today's cars," says Aaron Franklin, one of the Duke scientists, "it's kind of crazy to think that there's almost no data being gathered from the only part of the vehicle that is actually touching the road."

A new system could be especially vital for auto racing.

Dr. Franklin acknowledges that a considerable investment by an auto-industry player will be needed for the new sensors to be adopted and manufactured at scale. But he likens the new tread-sensors to the tire-pressure sensors that the U.S. government already requires in new cars—and adds that the new sensors might be able to piggyback on that system, sharing some components (such as a battery). In lab tests, the scientists say, their system can measure tire depth with 99% accuracy.

Dr. Franklin says that the technology could have many more uses—in auto brake pads, for instance, or even inside the human body, where much smaller pairs of electrodes could be implanted. The only context in which the sensors can't function would be in a layer or wall of metal, which would block the necessary electrical field. (The sensors work well in modern steel-belted radial tires because the steel in those tires is grid-like rather than solid, allowing the electrical field to pass through.)

Wherever they are used, the sensors could gather extraordinary quantities of precise data. Liberally distributed within tires, for example, they could report in detail just how tires wear. This data, once gathered, could be correlated to climate, time of day, type of car and other information available from modern vehicles and databases.

At the very least, the new sensors could nudge drivers to replace worn tires. That could be particularly vital in the high-stakes sport of auto racing. There, Dr. Franklin says, the sensors could enable drivers and crews to make more informed decisions about when to stop for a tire change—or permit victory with the knowledge that one more stop isn't needed.

"Noninvasive Material Thickness Detection by Aerosol Jet Printed Sensors Enhanced Through Metallic Carbon Nanotube Ink," Joseph Andrews, Changyong Cao, Martin Brooke and Aaron Franklin, IEEE Sensors Journal (June 5)

PHOTO OF THE WEEK

NOEL CELIS/AGENCE FRANCE-PRESSE/GETTY IMAGES

Taking Covers Students at the Corazon Aquino Elementary School in Manila participated Thursday in a nationwide earthquake-preparedness drill in the Philippines.

Answers
To the News Quiz on page C13

1.C, 2.B, 3.D, 4.C, 5.A, 6.B, 7.B

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BASEBALL'S IRON MEN **C6** | BUILDING THE BROOKLYN BRIDGE **C7** | THE SECRET LIFE OF JANE EYRE **C9** | BEST SELLERS **C10**

BOOKS

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Jefferson in the Flesh

The elusive 'architect of American liberty,' judged not by today's standards but by those of his time

Jefferson
By John B. Boles
Basic, 626 pages, $35

BY WILLIAM ANTHONY HAY

FARSIGHTED A 1789 bust of Jefferson by Jean-Antoine Houdon.

GETTY IMAGES

THE SATIRIST Finley Peter Dunne once observed, through his character Mr. Dooley, that the Supreme Court follows the election returns. In a similar way, historical scholarship tends to follow the preoccupations of its own time. Thomas Jefferson offers an illuminating example. Though far from uncritical, biographers of Jefferson in the postwar years up to, roughly, the early 1970s—scholars like Dumas Malone and Merrill Peterson—treated him with sympathy and celebrated his Enlightenment ideals. In the mid-1970s, Fawn Brodie changed Jefferson's public image by highlighting his relationship with the slave Sally Hemings. Race soon became central to Jefferson scholarship and opened up criticism on other fronts. Once lionized as a defender of liberty, Jefferson came to be depicted as a slave-owning elitist whose class interests, as a Virginia planter, trumped his egalitarian rhetoric. Indeed, neo-progressive historians began to argue that, by creating a property-owning democracy of white males, Jefferson had curbed the prospect of liberty for women, slaves and Native Americans and had codified structural inequality. From such a standpoint, Jefferson's legacy stands in tension with his professed ideals, making him a hypocrite if not worse.

In "Jefferson: Architect of American Liberty," John Boles, a history professor at Rice University, advances a series of arguments counter to these interpretive trends. He offers a sympathetic (though not hagiographic) view of Jefferson that emphasizes the differences between his world and ours. The constraints under which Jefferson lived—legal, financial, personal and intellectual—shaped his actions, Mr. Boles shows, limiting or guiding his choices and revealing them to be, when viewed in context and without today's presumption of moral superiority, admirable more often than not, fully justifying the esteem in which Jefferson was once routinely held. It is better, Mr. Boles argues, to understand Jefferson's world and his place in it than to judge him by the standards of a later day.

Slavery offers a case in point. Although condemned as a slave owner who doubted that free blacks could live at peace among whites—as he famously wrote in "Notes on the State of Virginia" (1785)—Jefferson opposed slavery in his own state and pushed for the legislation that ended the importation of slaves to the U.S. after 1808. Debts kept him from following George Washington's example of freeing his slaves after his wife's death, an inaction that Mr. Boles describes, rightly, as almost ruining Jefferson's reputation in the late 20th century. But none of the Founders, including John Adams and Benjamin Franklin, risked his career by pushing hard for abolition. Jefferson did what circumstances allowed, and it turned out to be more than expected of a man formed by his slave-owning milieu.

Jefferson grew up on a plantation more culturally part of the old Tidewater region on the Chesapeake than the Piedmont frontier where it stood. Studying the classics reinforced in him a stoicism common among Virginia gentlemen. Although in his own words a hard-working student at the College of William & Mary, Jefferson managed to enter Williamsburg society by drawing the notice of men like Francis Fauquier, the royal governor of Virginia. Conversation and social polish complemented Jefferson's reading, which went far beyond preparing him to practice law.

From his early support for colonial liberties as a Virginia legislator, Jefferson became a pre-revolutionary spokesman for the American cause—which he saw as a fight for self-rule against new efforts of the British to impose control over the colonies. It is hard for us to grasp today how bold it was to assert the rights of the governed against the encroachments of imperial authority. Almost the youngest delegate to the Continental Congress in Philadelphia in 1775, Jefferson determined to fight rather than submit to Parliament's insistence on imposing internal taxes and legislating for the colonies without their assent.

The next year, as Jefferson drafted the Declaration of Independence, he would turn to a range of much earlier English writings as well as to the Virginia Declaration of Rights that George Mason had written not long before. Summarizing "years of thinking and political philosophizing," Mr. Boles notes, Jefferson framed his thoughts in the Declaration to make an argument for America's place among nations. Congress kept 90% of his words in the final document.

Instead of taking up arms, Jefferson became a revolutionary lawmaker first in Congress and then back in Virginia. Mr. Boles calls him a born legislator who combined deep legal knowledge with precise language, a pleasant manner and sheer diligence. He started the process of revising Virginia's laws to promote religious freedom and to make the rules of inheritance more democratic. Far from curtailing liberty, as latter-day interpreters would have it, he worked to expand it. Mr. Boles notes that his efforts against slavery—including an effort to denounce the slave trade in the Declaration—faced too much resistance to make headway.

In the later stages of the war against Britain, Jefferson returned to

> It's hard now to grasp how bold it was to set the rights of the governed above the power of the state.

Congress, where he wrote the ratification of the Treaty of Paris that ended the Revolutionary War. His report on western lands guided the Northwest Ordinance of 1787, a law that planned the sale of the lands to homesteaders, provided funds from the proceeds for public education, and excluded slavery north of the Ohio River: a democratic initiative if ever there was one. It is again important to imagine how differently this territory might have been managed if powerful, self-interested elites, preferring tenants or large estates to independent small-holders, had held sway. Jefferson's work, by contrast, helped to extend a society of landowning farmers to territory that eventually become states on equal footing with the original 13.

Throughout his career, as Mr. Boles emphasizes, Jefferson framed institutions on broad principles of republican government and thus had a lasting effect on America's political culture. In such a way, he was, in Mr. Boles's words, the "architect of American liberty," a phrase the author uses without the sneers or hedges that have become de rigueur among recent chroniclers of the founding era.

Attributes that made Jefferson an effective legislator also served him as a diplomat in France in the 1780s. Mr. Boles describes him as a remarkable conversationalist, and his scientific feats had made him a celebrity before he reached Versailles. There he became "an exemplar of the philosopher as statesman." Touring Europe made him value the United States all the more, especially for the prosperity and liberty it gave ordinary people. He

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When Women Took the Wheel

Off the Cliff
By Becky Aikman
Penguin Press, 305 pages, $28

BY LYNDA OBST

I CAN SEE why it was irresistible to the author of "Off the Cliff" to try to tell the story of Women in Hollywood while simultaneously telling the story of the making of the feminist masterpiece "Thelma & Louise," a film about two women who go on a liberated spree after one of them shoots an abuser. The movie must have seemed like the perfect lens through which to view the hot topic of women being treated badly behind the camera in La La Land. Its starring roles featured two female leads—now both activists (Susan Sarandon and Geena Davis). Its femme first-time writer won an Oscar. And how all these three worked with a macho director (Ridley Scott) is quite a Hollywood tale. Moreover it was being made at a time when women were just crashing the glass ceiling in Hollywood, first becoming studio heads and producers in significant numbers. It clearly looked like the perfect match.

But instead Becky Aikman has written a half-terrific book. One half has delicious behind-the-scenes anecdotes about the making of a classic film, as well as sharp insight on all of the rivalrous points of view. The other half—an ideological retake of history—is less of a success and more of a feminist screed.

At times Ms. Aikman, a former newspaper journalist, writes about this incipient moment of what I call "chicks in flicks" with acute empathy. For example, this advice list for the female ceiling-breakers of the late '80s and early '90s, which she lays out in near free verse: "Wear combat boots, or a see-through blouse. / Put down your fists, or act like a general. / . . . Hit them with a cleaver, but do it gracefully. / Get a studio deal, but don't trust the studio."

> Seeing the story of women in Hollywood through the lens of 'Thelma & Louise.'

"No wonder so few women made it all the way to the closing credits," she opines, "like the last girl standing in a slasher movie."

To this insightful list I would only add, as one of those who began her producing career at the time, that an ampersand should replace the "or" between the clauses, i.e., "put down your fists & act like a general." But she is dead wrong to suggest we felt like the last girls standing. For one thing, there were a score of us—a big deal for a boys' club. For another, we were thrilled to be allowed in the inner sanctums and to learn to do this truly fun if grueling job. Listen to this trenchant quote from still-very-much-standing producer Lauren Shuler Donner ("X-Men"): "I used to go in with my fists up. I'd go, 'I'm tough, I'm tough, I'm tough.' Eventually I had to learn that that is the worst thing; that is what men *really* hate."

ON THE ROAD Susan Sarandon and Geena Davis as Louise and Thelma.

PHOTOFEST

But our story is not the one Becky Aikman means to tell in "Off the Cliff." She dumps us regular working girls quickly for her real heroine. She tries to tell the story of women in Hollywood through the women of this movie, and mostly that means the world according to the screenwriter of "Thelma & Louise," Callie Khouri.

Callie probably had more creative influence on her movie (even without getting to direct) than most any other first-time screenwriter, so tenaciously did she hold on to it. But how much of her route is repeatable? In one great creative stroke, she pole-vaulted from alienated video production assistant to creator of a heralded original script that she intended to direct. Ms. Aikman tracks that effort—and the pain of ultimately relinquishing the reins to Ridley. Callie could not know of course that after the movie became a hit she too would become a star: The studios gave her two big features to direct with movie stars and big budgets.

In reading this book, you will learn how Callie Khouri pulled off this extraordinary feat at a time when female directors were much more rare than they are even now. The formidable confidence she showed throughout the process helped ensure that "Thelma & Louise" never compromised its now-famous ending or its theme. There is a profound lesson for "woke"-yet-mystified women these days, that the missing ingredients—more easily accessed by men—are total conviction and willpower. An un-

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BOOKS

'Eighty percent of success is showing up.' —Woody Allen

In Praise of Clock-Punching

The Streak
By John Eisenberg
Houghton Mifflin Harcourt, 299 pages, $26

BY JONATHAN EIG

GETTY IMAGES

IRON MAN Cal Ripken Jr. of the Baltimore Orioles, 1995.

IN 1979, when Carl Yastrzemski of the Boston Red Sox was closing in on his 3,000th hit, the sportswriter Red Smith reflected on a not particularly pleasing trend in baseball. "Today," Smith wrote, "it sometimes seems that statistics are bigger than the game or the players, in the eyes of the 'media,' at least."

I don't know that stats have actually become bigger than the game or the players, but numbers have certainly taken on a greater role in how we perceive and even how we play the game. Sporting strategy is now so heavily data-driven that it seems almost quaint that coaches and players are not permitted to carry computing devices on the field. Perhaps it's only a matter of time.

Numbers were not always such a central part of American sport. As Smith pointed out in the same 1979 column, when Ty Cobb notched his 3,000th hit, the news of his milestone was reported in the "12th or 14th paragraph" of the story covering that day's ballgame. And when Sam Rice retired in 1934 with 2,987 hits, he didn't consider it worthwhile to hang around for another 13.

> Gehrig played in 2,130 consecutive ballgames; Ripken played in 2,632. Whose streak is tops?

Similarly, no one paid much attention in the late 1800s when Brooklyn's George Pinkney played consecutively in 578 games, the longest streak at that time, as John Eisenberg writes in his smart new book, "The Streak: Lou Gehrig, Cal Ripken Jr., and Baseball's Most Historic Record."

One might quibble with Mr. Eisenberg's subtitle. It's not clear to me why the record for most consecutive games—which Mr. Ripken set in 1995, breaking Gehrig's mark of 2,130—should be deemed the sport's most historic. As Mr. Eisenberg himself notes, it's a record that some consider the most humdrum in all of baseball. But that would make for a lousy subtitle.

To play without an injury or a day of rest does not necessarily require special talent. There need not be thrilling performances. There need not be triumphs. An athlete might perform solidly on a losing team year after year, and if he's good enough to satisfy his coach and lucky enough to avoid injury, the record can be his.

The mundane nature of the accomplishment presents a challenge for an author attempting a book called "The Streak." The protagonists in Mr. Eisenberg's story present another challenge: Lou Gehrig of the Yankees and Cal Ripken of the Orioles were two of the game's plainest men. Gehrig, of course, became baseball's tragic hero when his streak was interrupted by fatal illness. But until that time, he was a quiet, modest, hardworking fella who refused to take a sick day. Mr. Ripken was the same sort of character. Yawn.

Mr. Eisenberg, to his credit, approaches his task like a batter facing a particularly crafty pitcher. He keeps cool and doesn't try to knock it out of the park. There are no attempts at grandiosity. Instead, he builds his story with shrewd analysis and good reporting. The result is a line-drive hit of a book, one that would make Gehrig and Mr. Ripken proud.

In alternating chapters, Mr. Eisenberg tells the stories of Gehrig and Mr. Ripken, as well as of many of the other players who put together impressive streaks. But the book belongs mostly to Mr. Ripken, in no small part because the ballplayer agreed to be interviewed and also because Mr. Eisenberg, a former columnist for the Baltimore Sun, witnessed firsthand much of the player's streak.

Mr. Ripken carries this book much the same way he carried the Orioles; he's a reliable but less than thrilling figure. We don't see much evidence of a sense of humor. Nor do we gain any sense of how he juggled work and family. Even his flaws are mild ones. His biggest critics during his playing career, it seems, were the umpires who felt at times that Mr. Ripken tried to usurp their authority. One of those umps, Al Clark, said that Mr. Ripken "always thought he was right, could be pretty arrogant about it." Another umpire who tossed Mr. Ripken from a game said that it was "like throwing God out of Sunday school."

Mr. Eisenberg's book is best when engaging in the sort of debates that baseball fans adore. Whose streak was more impressive? Did train travel, day games and small gloves make Gehrig's record more arduous? Was Mr. Ripken disadvantaged by a schedule that alternated day games and night games and therefore made it hard to establish a daily routine? How did the media and artificial turf affect him? Did advances in medicine help him top Gehrig?

Gehrig and Mr. Ripken faced criticism during their careers for pursuing their streaks for selfish reasons. Would these players have been more productive if they'd rested from time to time? Would they have been more valuable to their teams? Mr. Eisenberg has no clear answer, but he seems to give the benefit of the doubt to the players, arguing that even when their performance flagged, their leadership made them valuable to have on the field.

The author argues that Mr. Ripken's streak of 2,632 consecutive games, played over 20 years, will never be broken. Soaring salaries, guaranteed contracts and smarter sports medicine all mean that players are more likely to rest. But Gehrig's streak was also thought to have been unbreakable, and no one came close to breaking it in 40 years before Mr. Ripken.

The interesting question isn't really whether the record will be broken; it's why we should care about such a pedestrian record.

We care, it seems, for the best of reasons: because character still counts for something in this age of high-priced, deeply quantified athletic competition. Gehrig and Mr. Ripken were not the greatest or most elegant athletes. They relied on hustle, intelligence, hard work and determination to compete with more physically gifted men. Character made them great. Character kept them in the lineup every day.

It might not be the most exciting of all baseball records, but it's one worth celebrating.

Mr. Eig is the author of "Luckiest Man: The Life and Death of Lou Gehrig." His life of Muhammad Ali will be published this fall.

Thomas Jefferson

Continued from page C5

blamed monarchy in France "for the shocking discrepancy in living standards between the richest and the poorest," as Mr. Boles writes. Jefferson did not foresee the tremendous social upheaval that the French Revolution would unleash, and he returned home before the Jacobin Reign of Terror. His unwillingness to denounce its excesses gave American opponents ammunition for years to come. Jefferson "considered the threat of governmental repression a greater danger than rebellion from below," Mr. Boles notes, but he neither consistently defended periodic rebellion nor opposed lawful authority.

The global conflict that the French Revolution set in motion in the early 1790s heightened America's vulnerability and made it all the more important to preserve neutrality. Jefferson was alarmed by Federalists who sympathized with Britain and who sought a strong federal government to check the possibility of plebeian unrest; he saw them as hankering after the monarchy he despised. They, in turn, saw him as a crypto-Jacobin who would bring atheism and social revolution to America. Washington sided with Jefferson (then his secretary of state) and maintained good relations with France while distancing the United States from its old ally, but relations within Washington's cabinet broke down as rival parties emerged.

John Adams's presidency further polarized American politics, though Jefferson and his friends did not realize that, as Mr. Boles says, "Adams was a moderating voice" among the Federalists, checking Hamilton's larger ambitions. Tensions at home and a quasi-war with France drew Jefferson away from playing a mere passive role as vice president and into actively campaigning to succeed Adams. He consciously sought reconciliation after his victory in the 1800 election by reaching out to former opponents. But he also strove to promote the republican principles of simplicity and frugality, not least by reducing both taxes and the national debt and reversing Hamilton's efforts at economic centralization.

Purchasing Louisiana in 1803 from France "for a song," as Gen. Horatio Gates, the famed Revolutionary War veteran, put it, marked Jefferson's greatest achievement as president. French control over New Orleans had meant a stranglehold over exports from the Mississippi Valley, an arrangement that, Jefferson said, would force Americans to "marry ourselves to the British fleet & nation." Patient diplomacy and a shift in Napoleon's strategy brought a sale on favorable terms, although by a step not allowed explicitly by the Constitution (as Jefferson's critics like to point out).

Jefferson fared less well in his second term, mainly because the Napoleonic Wars threatened American trade. Economic warfare squeezed neutral powers like the United States, and clashes with Britain threatened war. Jefferson responded with an embargo on trade that would, he believed, pressure foreign rivals and buy time for diplomacy. Commercial strain had more effect on Britain than critics at the time realized, but economic disruption also hurt the United States and divided the country along regional lines. Jefferson's departure from Washington in 1809 ended his public career, though he pursued an active retirement—writing, gardening, tinkering with the architecture at Monticello and the University of Virginia—until his death in 1826.

While emphasizing Jefferson's part in framing institutions fundamental to American liberty, Mr. Boles stresses the man's contradictions. An aristocrat by birth and manner, Jefferson was "the most thoroughgoing democrat of the Founding Fathers." Deeply convinced of the power of words, he avoided public oratory and preferred working behind the scenes. A devoted agrarian, he was a connoisseur of cities who took a leading part in the designing of Washington, D.C. More cosmopolitan and widely traveled than other Founders, he preferred the comforts of home and family. The contradictions—almost as much as the differences between past and present—make Jefferson hard to grasp. Mr. Boles's splendid biography shows that trying to understand him on his own terms is more than worth the effort.

Mr. Hay is the author of a forthcoming biography of Lord Liverpool, Britain's prime minister during the Napoleonic Wars.

'Thelma & Louise'

Continued from page C5

deniable script was a critical assist.

In "Off the Cliff," all the key participants' vividly remembered high moments and disagreements are well documented; you can feel the pain of every fight and indignity these many years after. (The earliest slights are the most long remembered.) The fun anecdote about a feisty lady agent selling an impossible script to the legendary mogul Alan Ladd Jr. reads like a lesson for how to make a surprise hit today. (Old studio rule: Every movie starring two women that makes money is a fluke.) Or you can look at it as Mr. Ladd—who famously picked up "Star Wars" in turnaround from Warner Bros.—did. As a child, he says, "there were women's pictures, and they were very important, and they did very well." So he just figured there was an audience for what he considered a perfect script. Then Ms. Aikman writes what may be my favorite sentence in the book: "Laddie saw the women's audience as an opportunity he had nearly to himself. He was so old-school, he'd become practically revolutionary."

When she was first told that Ridley loved the picture, Callie was nervous. Would he understand this female script? She felt a great risk in giving it away to this cigar-chomping man's man. From Ridley's point of view, by the time he'd agreed to direct it, he was in love with it. "I respected the fact that she wrote it. I wanted it from a woman's point of view and I got it from a woman's point of view." A collaboration developed, in which Ridley and Callie went page by page through the script for weeks, making sure he understood the rage and that all the emotion was real. He called them "daily lectures." He was dubious about all the hideous male behavior in the script and asked her if these things ever happened to her. "The point is, it doesn't matter if it happened to me," she answered. "These things happen all the time, and it could have been me and it could be any of the women you have ever come into contact with." Callie enjoyed his droll sense of humor, however her adamant responses made him find her a bit humorless. But he listened patiently as Callie told him all the things that he couldn't touch. Most directors will decidedly not let you do this.

Once Ridley internalized all the things he didn't previously understand, he was ready to take the helm, from his point of view if not Callie's. He argued for humor throughout, as he felt it was critical to the overall "ride" of the film. "He thought the men in the audience should eat some crow, but he wanted them to enjoy the taste." Yet the suspicion that he would "go broad" haunted Callie throughout the shoot.

The movie became almost as famous for the casting of the hitchhiker—Brad Pitt in his first film role. The story of his now-legendary big-screen breakthrough is alone worth the cover price. Reading it literally made me feel giddy. The casting director had left four guys for Ridley to select from for the part, none of whom he had strong feelings about. So he asked that each read with Geena Davis, with whom the character was to play a sexy one-night stand. When the blond guy, whom no one knew, auditioned with her, she quaked and blushed through the entire thing, almost losing her way. When Ridley asked whom she liked, Geena yelled, "the blond one!" He knew whom to listen to.

To the author, the quite famous girls vs. boys feuds during this production obviously flowed from the feminist theme. It's easy to see how tempting this interpretation would be: "Off the Cliff" should tell a gender story because the story is about gender. But what I see, 25 years hence—and from more of a bird's-eye view—seems to be a classic power-ownership dynamic, hidden beneath the guise of "what the hell do guys know about women?" Or at least these two issues are mixed in a way that was not understood by the players at the time and has mixed up the author as a result.

GETTY IMAGES

OSCAR WINNER Callie Khouri, 1992.

The set certainly was very boys-against-girls. In Susan Sarandon's delicious quote: "The atmosphere was very male. The guys on the crew were all shirtless with their T-shirts around their heads, like a band of cigar-smoking marauders. They adored Ridley and would follow him off a cliff." Together they chased sunrises and sunsets, making spectacular shots of the two women in the car. "The joke was the whole movie would be voice-over," Susan says. "Because he was getting such fabulous footage, why do scenes?"

This was the point of view of the women, who had no clue as to what Ridley was up to and were afraid he did not care about the emotions as much as the look. "Nothing in the script indicated that the intimate story needed such an opulent stage," Ms. Aikman writes. "He brought that to it," Susan tells her. "We filled in the emotions and the people." Once she saw the finished film, she understood: "Because Ridley put us in this heroic setting, the film had the impact it did," but that wasn't so apparent at the time. There was so much distrust: It was assumed that if you were interested in the look of the film you couldn't also care about the scenes. This dichotomy of course is false.

How did they even get to that point? The Look vs. The Characters? That is not a boy vs. girl thing. That is a writer vs. director thing. And it's ironic because what makes the movie so perfect is the blending of the two.

Ms. Aikman writes that the person Ridley was most intimidated by was Callie. On the one day she was invited to the set, the disagreement about tone that they'd had since the beginning was set off when Callie openly disapproved of the casting of a funny Rastafarian as a day player and the broad performance of a truck driver. The harder the writer holds on to the literal interpretation of his original vision, the less room there is for the director to make it his (or hers). The more the writer moves into the director's vision, the more possible it is to serve that vision. This is the key lesson for the newbie screenwriter, and Callie Khouri didn't learn it in time. She wasn't invited to test screenings of her first film. She missed her Cannes debut. She did not miss her Oscar, however.

Ms. Obst, the producer of "Interstellar" and many other films, is the author of the memoirs "Sleepless in Hollywood" and "Hello, He Lied."

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'O harp and altar, of the fury fused, / (How could mere toil align thy choiring strings!)' —Hart Crane

East River Love Song

Chief Engineer
By Erica Wagner
Bloomsbury, 364 pages, $28

BY ALLEN C. GUELZO

MUSEUM OF THE CITY OF NEW YORK

TAKING THE AIR Two men on a temporary footpath installed on the Brooklyn Bridge while it was being built, ca. 1880.

THE THREE great symbols of American inventiveness in the decades after the Civil War—the light bulb, the elevator and the Brooklyn Bridge—were dependent on wire. Thomas Edison's incandescent bulb is the most ubiquitous example, the wire being tungsten filament. But modern American cities would have been impossible without Elisha Otis's elevator and the wire cables that raised and lowered it, while anyone with a nodding acquaintance of the New York skyline will be familiar with the looping wire suspensions of the majestic Brooklyn Bridge.

In the late 19th century, the wire for elevators and suspension bridges was usually the handiwork of John Roebling & Sons in Trenton, N.J. In the case of the Brooklyn Bridge, the firm did more than supply the wire: It designed the bridge itself. And yet the Roeblings—John and his son Washington—are now as invisible to Americans as Edison and Otis are conspicuous. With "Chief Engineer," Erica Wagner seeks to rescue the Roeblings from oblivion.

A former literary editor for the Times of London and a biographer of the poets Sylvia Plath and Ted Hughes, Ms. Wagner is not perhaps the most obvious candidate for this task, but she is Manhattan-born, and in her teens, she tells us, she had one of those epiphanies that the Brooklyn Bridge inspires. She wrapped her fingers "around one of the vertical suspender cables" and felt the vibration convey a sense of the bridge as "a living thing." Curiosity took her to David McCullough's "The Great Bridge," his marvelous 1972 account of its construction, and from there, eventually, into libraries and archives until the bridge became for her "symbolic of the desire for connection."

Although Ms. Wagner's subject is officially the younger Roebling, the book is really two biographies in one, if only because Washington Roebling could never disentangle himself from his father, either psychologically or in the public mind.

John Augustus Roebling was born in 1806 in central Germany; at age 19, he went to study at the Berlin Building Academy and soon began work for the Prussian government. While traveling, he fell in love, as only an engineer can, with the suspension bridge over the Regnitz River in Bavaria. It displayed a design that, thanks to advances in technology, was then emerging: loops of iron chain, suspended from towers, bearing the weight of the roadway beneath. Roebling soon began work on his own designs for suspension bridges but had little prospect of persuading the Prussian bureaucracy to adopt them, and in 1831 he emigrated to the United States.

It was in the U.S. that Roebling encountered a new variation on the suspension bridge, one that substituted iron-wire cable for chain links. The use of iron wire reminded him of the cables he had seen used in the Harz Mountains to run coal cars. The cables had been produced by twisting lengths of wrought-iron wire around one another to make strands, as Ms. Wagner explains, with the strands in turn "twisted together to make a rope."

Roebling did not have the chance to put the idea to work until 1845, when he was hired to rebuild the Monongahela Bridge at Pittsburgh, an eight-span bridge that was eventually hung from wire rope twisted on-site. It was a triumph, free from the swaying and the vibrations that had afflicted earlier suspension constructions, and the wire rope made John Roebling famous. In 1849, he opened a factory in Trenton, which did $40,000 in business in its first year (more than $1 million in today's dollars).

Such success did not, however, earn him respite from his demons. Roebling was a household tyrant who cowed and beat his long-suffering wife, Johanna, and his five sons and daughter, whose "ingenuities were bent to one purpose, to keep out of his sight," Ms. Wagner writes. The wonder is that any of them grew into anything like psychological maturity. But they did, especially the oldest son, Washington.

It never seems to have entered Washington Roebling's head that he should be anything but an engineer. The education he got at the Rensselaer Polytechnic Institute in Troy, N.Y., was exactly the rigorous training that his father prized, and his graduation thesis was written, predictably, on the construction of a suspension aqueduct.

> The father who designed the bridge, the son who built it—and the wire rope that made it all possible.

The outbreak of the Civil War interrupted Washington Roebling's plans for bridges and aqueducts. After the firing on Fort Sumter, his father had demanded: "You clear out this minute!" His family's reputation allowed him, in time, to secure a staff position in the Army of the Potomac. On one memorable occasion, he carried orders in the midst of the Battle of Chancellorsville. As an aide to Gouverneur K. Warren, the Army of the Potomac's chief engineer, Roebling helped keep Little Round Top out of the hands of the Confederates at Gettysburg. He left the Army in January 1865 and went back to work for his father, completing the great Covington-Cincinnati suspension bridge over the Ohio River.

Even as he did so, New York was beckoning to the Roeblings. As early as 1857, John Roebling had sketched out a plan for a vast suspension bridge to link Manhattan and Brooklyn; a decade later, the New York Bridge Co. hired him to design and build it. Washington Roebling was by then his father's right hand, and in 1869, when the elder Roebling died suddenly after a freak accident at a Brooklyn ferry slip, the mantle of chief engineer fell onto Washington's shoulders.

Although the preliminary designs for the two great towers of the Brooklyn Bridge were drawn by John Roebling, it was Washington Roebling who created the water-tight, compressed-air caissons that formed their river-bed foundations. It was Washington Roebling who drafted the 44-page memorandum describing the manufacture of the suspension cables—four enormous cables able to bear 10,730 tons. It was he who kept politicians from diverting or corrupting the project. In May 1883, when the bridge was ready for its opening, the first vehicle to cross it was a carriage driven by Washington Roebling's wife, Emily.

Washington Roebling never set foot on the bridge while it was being built. While supervising the early underwater digging, he was injured by uncontrolled shifts in air compression. So between 1873 and the opening of the bridge he supervised the construction from his home in Brooklyn. He would gradually recover—in fact, he would live to the ripe old age of 89—but he would never build another bridge. Or need to, since the assets of John Roebling & Sons reached over $10 million by 1899. The firm supplied the wire rope for the Panama Canal, the Wright Brothers' Flyer and Lindbergh's Spirit of St. Louis, and the copper wire that carried electricity to Edison's bulbs.

Ms. Wagner's writing is graceful, even evocative, conveying a mellow admiration of Washington Roebling that suits the man. And as much as she esteems Emily Roebling as a proto-feminist, Ms. Wagner rebuffs the notion that Emily somehow became the "real" engineer of the bridge during her husband's prostration.

Ms. Wagner's research is limited almost entirely to the personal papers and memoirs of the Roeblings. It might have been useful to learn more about how Washington Roebling's wartime service connected to his postwar influence as a bridge builder. And learning how the Brooklyn Bridge compared with other bridge-building projects of the era would have situated it in the larger picture of American technological entrepreneurship. But such missing elements detract little from what is a welcome tribute to the persistence, precision and humanity of Washington Roebling and a love-song for the mighty New York bridge he built with the help of his pioneering, if irascible, father.

Mr. Guelzo is the author of "Gettysburg: The Last Invasion."

'Over There' by Ocean Liner

The Great Rescue
By Peter Hernon
Harper, 350 pages, $27.99

BY MARTIN RUBIN

WINSTON CHURCHILL is reputed to have said that the Queen Mary and the Queen Elizabeth, the world's largest ocean liners in the 1930s and 1940s, had shortened World War II by a year because of the vast number of servicemen they carried across the Atlantic—and at such speed that German U-boats were unable to fire on them with any success. Many historians have highlighted the contribution of merchant shipping generally in that war. Less attention has focused on the similar role it played in World War I.

In "The Great Rescue," Peter Hernon, the author of several works of history and a former newspaper reporter, helps to redress this imbalance with his enthralling account of the USS Leviathan, an ocean liner that carried more than 10,000 doughboys at a time to fight in France in 1917-18. Although the Leviathan had been one of the fastest liners crossing the Atlantic before the war, its impressive speed did not give it invulnerability. Some of the most exciting passages of "The Great Rescue" recount the vigilance and countermeasures of the Leviathan's crew when faced with submarines out to sink it and drown its human cargo.

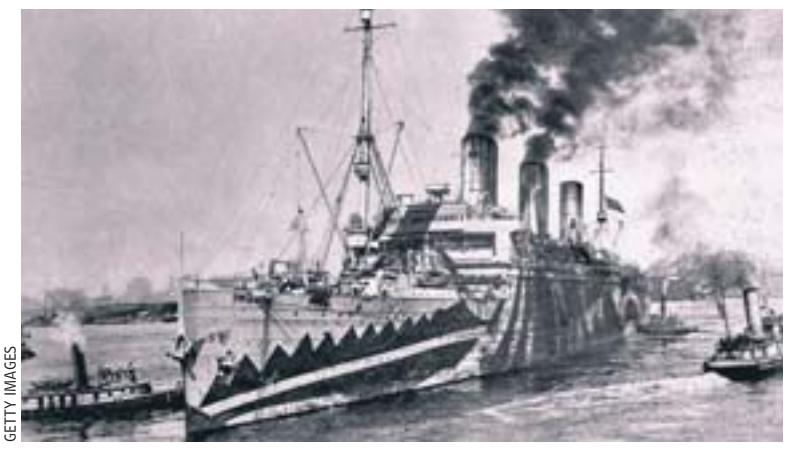
Ironically, the Leviathan's prewar crossings had been as the SS Vaterland, a German-flagged liner. As Mr. Hernon writes, "the world had never seen a luxury ship built on the scale of the *Vaterland*." It was magnificently decorated and appointed in first class, with gilt latticework and a bronze statue of Marie Antoinette. It offered an à la carte Ritz-Carlton restaurant for passengers who disdained the lavish menus in the dining saloon. Even the steerage passengers, whose $29.50 tickets were "a major money maker for the owners," had "attentive waiters in uniform," Mr. Hernon says. For immigrant passengers seeking a new life in the New World, "steerage must have seemed heaven sent."

> USS Leviathan, which carried 10,000 doughboys at a time, was built as a German luxury liner.

The Vaterland had only completed the first half of its fourth round-trip voyage when it arrived in New York Harbor on July 30, 1914. The planned turnaround was overtaken by events: "A cable from Germany ordered the ship to remain in New York," Mr. Hernon writes, "warning that French and British warships were poised offshore to seize her if she tried to sail."

As it happens, many other German passenger ships were moored in U.S. ports at the time, including other German ocean liners. The imposed hiatus meant that the liners remained safely out of danger for the nearly three years of American neutrality—and out of the way of official concern.

All that changed when the United States declared war on Germany on April 6, 1917. Indeed, an American destroyer, Mr. Hernon reports, was sent "to make sure the captains of the interned superliner and eight other German passenger ships tied up at the Hoboken piers wouldn't be tempted to make a run for open water."



GETTY IMAGES

WAR PAINT The Leviathan leaving Hoboken in 'dazzle' camouflage, 1918.

The day before the declaration of war, the U.S. had already seized the Vaterland, and so began its transformation into the Leviathan. The ship, Mr. Hernon reports, was stripped of its fine woodwork; its expensive wines were carted away; its chairs thrown overboard. Everything was retrofitted for wartime use. It was a long process, complicated by a lack of blueprints and the need for vigilance against German saboteurs.

Mr. Hernon describes what passage was like for the thousands of servicemen packed into the no longer luxurious ship, who found themselves in "football-field-size spaces . . . crammed with 'standees,' iron-frame bunks with canvas bottoms, stacked four high." The ship's celebrated wartime passenger names ranged from Gen. John J. Pershing, soon to lead the American Expeditionary Force, to a "newly minted sailor named Humphrey DeForest Bogart," nearly four decades later to be, in "The African Queen," the Hollywood skipper of a very different kind of World War I vessel.

In September 1918, the Leviathan ferried Assistant Secretary of the Navy Franklin Delano Roosevelt back from a visit to the European theater, where he had contracted flu in the epidemic then sweeping the world. "It would be weeks before he recovered his strength," writes Mr. Hernon, "and by then his marriage would be in shambles." His wife, Eleanor, had discovered in her husband's baggage a stack of love letters written to him by Lucy Mercer, her social secretary. "It was a life-altering moment," Mr. Hernon writes, "as she realized her husband had been having an affair."

Mr. Hernon offers brief accounts of the postwar lives of some of the notable figures who traveled on the Leviathan—a young war correspondent named Damon Runyon went on, of course, to write the stories collected as "Guys and Dolls." We also get a moving account of the Leviathan's postwar life. Its "third and final act" began in 1923, Mr. Hernon says, when it set sail for France "as America's largest and fastest luxury liner."

It was again an opulent vessel, launching "just in time to catch a wave": the amusements of the Roaring Twenties. But the Leviathan could not offer liquor during Prohibition, unlike its British and French competitors, and "few crossings made money," Mr. Hernon notes, despite carrying yet more high-profile passengers, like the (teetotal) Queen Marie of Romania.

The Leviathan was sold for a pittance in 1938 and broken up for scrap—just a couple of years before it would undoubtedly have been ready, once again, to render service as a troop ship transporting soldiers across the Atlantic for yet another war.

Mr. Rubin is a writer in Pasadena, Calif.

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'When we are broken, to whom are we opened?' —Karen Solie

FICTION CHRONICLE: SAM SACKS

Traveling Alone

LIKE HIS 2012 novel "The Spinning Heart," Donal Ryan's **"All We Shall Know" (Penguin, 180 pages, $16)** is a bracingly compact tale of Irish village life whose powerful undercurrents of loneliness and heartache rush along in streams of gorgeous, rippling prose. So fine is this novel, and so purely told, that it establishes Mr. Ryan as the heir apparent to the late, great Irish stylists John McGahern and William Trevor.

"The Spinning Heart" was about the downfall of a principled construction foreman during the ravages of the post-2008 recession. "All We Shall Know" is a more domestic affair, telling the story of Melody Shee, who has exacted a Pyrrhic revenge on her philandering husband, Pat, by seducing a 17-year-old boy she was teaching to read. The novel, told in Melody's diary entries, begins when she is 12 weeks pregnant from the fling. The boy, who belongs to a family of Travellers, an itinerant caste of tradespeople who live on the outskirts of society and abide by their own laws and customs, has moved away. Pat has left as well, leaving her alone to contemplate her past and an increasingly frightening future.

Her thoughts circle back to self-recriminations about her treatment, years before, of an unpopular childhood friend whom she abandoned when she met her husband and who subsequently committed suicide. Until now Melody's hidden guilt has been the toxic glue holding their marriage together. "What does a thing look like that's never looked at?" she wonders. "A thing has form only when light is reflected from it into someone's eye, and its image only exists as it's told to exist in a dispatch from the mind, and even then it's a compromise, an agreement between two eyes and two hemispheres of a brain, an impression. A thing can exist and never be observed, and never be bathed in light, and be forever formless, resting in the dark. I had to stay with Pat, I had to make him stay with me; I had to make him marry me; I had to, because Breedie Flynn died so that it might be so."

There are countless passages like this that are so sculpted and beautiful that one's lips begin to shape their words unbidden, the way a song can move a crowd to its rhythm. The writing takes on a further dimension when Melody, while looking for her child's father, befriends another Traveller, a young woman named Mary Crothery. Mary is also alone—she left her husband when she learned that she was infertile, thereby initiating a blood feud between her clan and his. Pariahs both, the women unburden each other of their secrets and offer steady, if colorfully expressed, consolations: "You are, miss, you're kind, I know you are," Mary assures Melody. "You're a bould bitch the way you done the dirt on your husband but that don't mean you're not kind."

GETTY IMAGES

"All We Shall Know" interweaves the approach of Melody's delivery with the violence visited upon Mary and her family to arrive at an ending of soul-cleansing catharsis. This is a good time for Irish fiction. Adventurous newcomers like Eimear McBride, Sara Baume and Paul Murray have joined such past masters as Anne Enright and Bernard MacLaverty in producing a literature of exciting variety and reliably superior prose. With this book Mr. Ryan moves to the head of a brilliant young class.

Rosecrans Baldwin's **"The Last Kid Left" (MCD, 391 pages, $27)** begins with the shocking double murder of a New Hampshire doctor and his wife. After 19-year-old Nick Toussaint Jr. is caught driving the bodies through New Jersey he immediately submits a written confession and is extradited to his hometown of Claymore to await trial. But the seemingly open-and-shut case begins to attract interested parties. One is Martin Krug, a newly retired New Jersey policeman who sees holes in Nick's confession and goes to Claymore to do pro bono investigative work for the public defender. Another is Leela Mann, a local freelance writer who hopes that reporting the case will help land her a position at the New Yorker.

As both intuit, there's much more here than meets the eye. Nick's girlfriend, Emily, happens to be the daughter of Claymore's sheriff, and the rumor going around is that he's subjected her to years of sexual abuse. Then some nude photographs that Emily snapped to smuggle to Nick in jail are leaked to the media, and suddenly the crime comes to national attention. In Mr. Baldwin's formulation, "a modern-day Romeo and Juliet story plus ye olde Yankee township, plus double homicide, plus porno selfies, plus accusations of pedophilia, equals so much lurid delirium."

> A bitter Irish woman, pregnant and abandoned by both husband and lover, broods on her sinful past.

There's a lot to like about this book, which integrates letters, email and text messages as it briskly alternates among its wide cast of characters. The opening chapter dramatizing Nick's arrest is a barnburner, and the affably crusty retired cop, however hackneyed a figure he may be, enlivens every scene he's in. But like so many novels that hope to juice up their stories by borrowing from crime fiction, "The Last Kid Left" suffers from an identity crisis. It's too long and tentacled to satisfy as a detective novel and its sensational elements weaken the serious exploration into sexual trauma. Mr. Baldwin's creditable attempt to create that rare hybrid beast, the thriller with hidden depths, never quite materializes.

With the appearance of **"Kingdom Cons" (And Other Stories, 103 pages, $13.95)**, all three of Yuri Herrera's novellas, which meld evocations of contemporary Mexican life with different forms of mythologizing, are at last available in English. "Signs Preceding the End of the World," the best of the trio, linked border crossing with Homer's Odyssey; "The Transmigration of Bodies" plunged Mexico City narco-gangs into an apocalyptic fantasy; "Kingdom Cons"—the first of the books but the most recently translated—imagines the fall of a drug cartel as a medieval fable.

The main character here is the Artist, a street musician tapped to serve as the bard for a mighty drug kingpin. The Artist happily eulogizes the King and his court in song, but when a palace coup overturns the ruling hierarchy he is forced to choose, as a fellow courtier puts it, between making music out of "passion" or "obligation." This cunning little drama about the line separating art from agitprop is, like the other books, translated with colloquial verve by Lisa Dillman. The Artist's mission statement could speak for the whole of Mr. Herrera's daring and memorable project: "Let them be scared, let the decent take offense. Put them to shame. Why else be an artist?"

MYSTERIES: TOM NOLAN

The Trouble In Us

IN THE rural township of Wild Thyme, Pa., Officer Henry Farrell, the laconic narrator of Tom Bouman's leisurely but hard-edged **"Fateful Mornings" (Norton, 353 pages, $25.95)**, works as a police department of one. He's most often found writing speeding tickets, responding to citizens who telephone to complain or keeping an eye out for "black market auto parts, small-time marijuana farming, maybe a [meth] lab or two."

But in this second novel featuring the recently widowed Farrell (who made his debut in 2014's award-winning "Dry Bones in the Valley"), heroin has come to Wild Thyme, bringing with it an increase in burglaries, arrests for possession and even, sometimes, fatal overdoses. The once-lovely Penelope had become a user before her disappearance, says her boyfriend Kevin, a hard-drinking carpenter whose account of her violent abduction is so full of holes that he comes under suspicion for her murder, despite the absence of a corpse. Once the body of a drug dealer is found floating in a nearby river, Kevin seems an even more likely homicide suspect. Is the mysticism-spouting carpenter as demented with grief as he acts? Or is he "more than what he seems, but less than what he wants us to believe?"

"Fateful Mornings" unfolds in a less hectic and more novelistic manner than many police-procedurals, leaving space for meditations on natural history ("I love a cedar waxwing. So perfect and aloof, on its own business"), investigatory digressions and dead ends, lucky chances, and the vicissitudes of the lonely narrator's love-life—not to mention his part-time off-the-books construction work and semi-pro fiddling gigs.

Officer Farrell, who thinks a lot but speaks so little ("If I was somebody else I'd have had more to say"), proves to be excellent company. He's hardly a saint—except in comparison to the vicious souls he comes across in the line of duty. "Personally," he reflects, "I don't know how I escaped bad habits, and by that I mean serious habits. . . . It is tempting to credit yourself as an iron man when you look around at other people and their troubles. I'd only say there's more trouble in us than we know."

Yesterday in Tahrir Square

The City Always Wins
By Omar Robert Hamilton
MCD, 312 pages, $26

BY TOBY LICHTIG

IN TERMS OF damage wrought—lives lost, atrocities committed, social fabric torn—the aftermath of the Arab Spring has been easier on Egypt than it has been on Syria, Yemen, Libya or Iraq. And yet there is something especially painful about the failure of revolution in this most populous and wealthy of the insurgent Arab states, because one feels it all could have ended more happily.

For a brief period Egypt looked as if it was going to emulate Tunisia and haul itself into a new era of (relative) liberalism and democratic stability. But since the deposition of President Hosni Mubarak, the revolution has gone full circle: The current regime, under the former army general Abdel Fattah Al Sisi, is arguably more repressive than its recent predecessors.

Omar Robert Hamilton's explosive debut novel, "The City Always Wins," explains how Egypt got this way, and it does so with a combination of intensity and empathy rare in political fiction. There is no room for distanced irony here, nor is the novel an earnest polemic. Instead the view is admirably clear-sighted, evenhanded, at times kaleidoscopic. This is less a howl of rage than a sober accounting. Which is not to say it isn't angry. Or that it lacks pace.

The novel opens in October 2011, eight months after Mr. Mubarak has been ejected, and shunts us through the next three years of political turmoil, via the triumph and then ousting of the Muslim Brotherhood, on the journey back to the status quo. The focus is on two young revolutionaries: Mariam, an intense young Egyptian woman whose parents are doctors, and Khalil, an American of Palestinian heritage who has come to Cairo in search of a cause. They are secular, leftwing, technologically astute. Mariam lives and breathes revolution; it permeates every aspect of her life. Khalil is equally intoxicated by the prospect of change, though he later becomes disillusioned.

They meet during the wave of post-Mubarak protests as Egypt prepares to transition to democracy, "the two of them running . . . into the dark doorway of a building hanging heavy with foliage." They become lovers and set up a radio station. But what might at first seem to be a passionate love story forged in the heat of revolution turns out to be something else entirely: Politics in this novel subsumes everything. Even when their relationship begins to crumble, it seems a paltry thing. Which of course it is.

> A powerful, panoramic novel of Cairo evokes the brave, young hope of the Arab Spring uprising.

But there are pros and cons to the authorial strategy of forgoing the personal for the bigger picture. "The City Always Wins" is not an easy book to warm to. It can leave the reader skittering across the surface of events. There is, however, an authenticity to its wide-angle approach, a kind of revolutionary verisimilitude; and what the novel lacks in intimacy it more than atones for in its urgency.

Mr. Hamilton employs a range of modes to tell his frantic story. We see things in the close third person from both Mariam and Khalil's point of view, and later in Khalil's own narration; we dip into the minds of minor characters—protesters, doctors, parents of those martyred in the violence. At times the text disintegrates into a cacophony of different voices, at others it is formed of text messages, tweets, newspaper headlines, cinema schedules, passages from Eric Hobsbawm, dialogue from telephone calls made in the midst of clashes with police ("Hello. Hello? We need help. They're beating her. They're beating her!"). The effect is impressive rather than distracting. On occasion the writing really sings.

GETTY IMAGES

The book is in part a paean to Cairo, "this city of infinite interminglings and unending metaphor. Cairo is jazz: all contrapuntal influences jostling for attention." The prose dips into neo-modernist freestyle as it warms to this theme, contemplating "the jazz that is beauty in the destruction of the past." But the city has a dismal energy of its own: It "doesn't show mercy or respect. It races on around us and our silent island of dread." Toward the end, with Egypt back under military rule, Khalil launches into a memorable tirade against "history's one long looping nightmare" and the failure of his generation to usher in a new world order: "The army wants your land and the British want your oil and the Italians want your gas and the Americans want your airspace and your canal and your complicity . . . and when we're bored of war we will bring you peace and post-conflict resolution . . . and dialogue camps and off-Broadway plays . . . [until] you are finally and forever stripped of even the possibility of thought."

The book is split into three linear sections. The first ("Tomorrow") takes us—by way of hospital morgues and countless demonstrations, tear gas, bullet wounds, excitement, optimism and fear—to the surprise victory of the Muslim Brotherhood in Egypt's first free elections. The result is a disaster for the young modernizers, who squabble among themselves about who to blame. The elections were a trap; democracy is on sale. Is it better to fight for power or to embrace disruption? "You need discipline to win a war. You need chaos to win an insurgency."

The second section ("Today") follows—via more demonstrations, arrests and custodial sadism—the Brotherhood's tightening grip on power, its hardline new constitution and ultimate deposition by the army in a semi-popular coup. In the final section ("Yesterday"), Mr. Sisi is Egypt's new strongman and protector, his image everywhere. The liberal revolution is in tatters and "the airwaves have been cleansed." Supporters of the Brotherhood are crushed; so are the modernizers. One, a young film student, is horrifically tortured in prison. He later dies.

"The City Always Wins" powerfully transmits the hope and despair of Egypt's Tahrir Square generation, and the bravery and willingness of its members to keep fighting in the face of insurmountable obstacles. Mr. Hamilton plunges us into an important moment in recent history and makes us think about it anew. While the novel's political message is clear, its tone is never hectoring, and its journalistic attention to detail never didactic. It is not always pleasurable to read but is always worth the trouble. It may even grow to be an important book—one of the defining novels of the Arab Spring.

Mr. Lichtig is the fiction and politics editor at the Times Literary Supplement.

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BOOKS

'The human heart has hidden treasures, / In secret kept, in silence sealed.' —Charlotte Brontë

Loving Mr. Rochester

The Secret History of Jane Eyre
By John Pfordresher
Norton, 254 pages, $26.95

BY ELIZABETH LOWRY

THE STORY OF how Charlotte Brontë, the shy and (in her own words) "plain and small" clergyman's daughter from Haworth in Yorkshire, came to write a proto-feminist romance that became one of the 19th century's best sellers, is as gripping as any in her novels. When "Jane Eyre" appeared in 1847, nothing quite like it had been published in English before. Its tale of a young orphan who survives every kind of deprivation to achieve independence and a passionate marriage to the man of her choice so impressed its first reader—the literary adviser at publisher Smith, Elder & Co.—that he stayed up till dawn finishing it. The novel had it all: moral seriousness, sex, an irresistible gothic intensity. But who was the author? The title page called it "An Autobiography, edited by Currer Bell." Was the androgynous-sounding Bell male or female? And in what sense was it autobiography?

The mystery of Bell's identity caused a literary stir before Brontë reluctantly unmasked herself nine months later. What the public did not know, until Elizabeth Gaskell brought out the first, posthumous biography of Charlotte in 1857, was that there were strong affinities between the life of the retiring author and her work. In his astute study "The Secret History of Jane Eyre," John Pfordresher argues the uncanny emotional authority of the novel comes in part from its refashioning of experiences that Brontë had found traumatic, and that her fiction processes as art.

ALAMY

PARSON'S DAUGHTER A portrait of Charlotte Brontë hanging in her former home in Haworth, Yorkshire.

In her lifetime Brontë was careful to distance herself from her succès de scandale, insisting her heroine was not a self-portrait (she was so angry with Thackeray for introducing her as "Jane Eyre" at a London lecture that she stormed his house the next day to give him a piece of her mind). Yet Charlotte, like Jane, was a governess, and like her, she was physically little or "stunted"—the legacy, she claimed, of a spell between the ages of 8 and 9 at a boarding school that systematically starved its pupils. The school appears in "Jane Eyre" as Lowood: The founder, William Carus Wilson, is recast as the sadistic "black pillar," Mr. Brocklehurst; Charlotte's adored elder sister Maria, who died as a result of this maltreatment, as Jane's martyred friend Helen Burns. By writing "Jane Eyre" the novelist got the last word.

Then there is the problematic figure of Mr. Rochester, the Byronic married man with whom Jane falls in love, not knowing he has a mad wife in the attic. Mr. Pfordresher is excellent both on Rochester's entitlement—he tries to trick Jane into bigamy, after all—and those aspects of his character drawn from the three men Charlotte admired most: her irascible father, Patrick, her hedonistic brother, Branwell (who was fired after having an affair with his employer's wife while working as tutor to a Yorkshire family) and the imperious "Master" who taught her French at the Belgian pensionnat she attended in 1842 and 1843, Constantin Heger.

Mr. Pfordresher argues that in her father, Charlotte "had observed Rochester's physical vigor, determined will, passionate temper, and defiant courage." Controlling and subject to bursts of what Gaskell termed "volcanic wrath" (like Rochester, who is quick to anger), the Rev. Brontë was in the habit of carrying a loaded pistol, which he fired from his bedroom window every morning. When he grew older and began to suffer from cataracts, Charlotte nursed him, as Jane does Rochester: It was while tending Patrick after an operation, which required her to sit in a darkened room for hours, that Brontë began to write "Jane Eyre." He was her first model of a dominant man, whose concerns always took center stage.

Just as complex was Charlotte's relationship with Branwell, who started out, as Mr. Pfordresher puts it, as "her mental equal" and constant companion but became, through the abuse of alcohol and opium, the "self-destroying family humiliation." Mr. Pfordresher is surely right in thinking that Jane Eyre's teasing exchanges with Rochester—who shares Branwell's sensual weakness—are based on Charlotte's "early adolescent love for" and habit of sparring with her childhood rival.

But the most obvious real-life source for Rochester is Heger. For in 1913, half a century after Gaskell's biography was published, letters from Brontë to her former professor, written once she'd returned to Haworth, emerged. They showed that Charlotte had been unrequitedly in love with this "ferocious" man (again, the adjective is her own), who corrected her mistakes mercilessly, encouraged her writing as no one ever had, and above all, she felt, understood her, just as the saturnine Rochester sees straight into the heart of Jane. Alas, Reader, she didn't marry him: Heger (like Rochester) already had a wife.

Mr. Pfordresher suggests Rochester is all of these male figures rolled into one, but rehabilitated and—after the death of Bertha Rochester during a fire—rendered miraculously available: In "Jane Eyre," Brontë's erotic frustrations are redeemed. In life, things weren't quite so neat: Alarmed by the volcano he'd stirred up, Heger stopped replying to his former pupil's desperate pleas, Branwell killed himself with drink and drugs, and Charlotte settled for her father's worthy but unglamorous assistant.

> Why did Charlotte Brontë go to such great lengths to conceal her authorship of a romantic masterpiece?

Anyone new to "Jane Eyre" will find this a wildly readable introduction to novel and author, even though none of the revelations in it are new. Biographers from Winifred Gérin in the 1960s to now have dealt with what she called Gaskell's efforts at "whitewashing Charlotte." Lyndall Gordon and Rebecca Fraser stressed Brontë's struggle to live authentically despite the limitations imposed on her sex; Juliet Barker went further and gave us a self-willed Charlotte who doggedly pursued her ambitions to write and did not scruple to use her ailing father as an excuse.

Mr. Pfordresher's originality lies in the way he uses links between Charlotte Brontë's life and her major work to probe the wider question of literary authenticity. Gaskell recalls that Brontë was acutely conscious, while writing "Jane Eyre," that she was drawing on actual emotion to animate fictional scenes. It is undoubtedly this lived dimension that lends the novel its peculiarly "real" quality—or what Brontë called the effect of "Nature and Truth." If Brontë's "Jane Eyre" is autobiographical, it is so in the sense that it gives, as Mr. Pfordresher writes, equal weight to "the truth of her experience and the emotionally dominant claims of her imagination." Charlotte Brontë "is" Jane Eyre in the same way that Sylvia Plath "is" Esther Greenwood in "The Bell Jar," or James Joyce "is" Stephen Dedalus in "A Portrait of the Artist as a Young Man." They are; and of course they aren't.

Ms. Lowry is the author of "The Bellini Madonna."

CHILDREN'S BOOKS: MEGHAN COX GURDON

Enchanting Music, Troubling Secrets

A WEAK person with a small secret is in a terrible spot when a bully wants information. When the secret is as huge and consequential as the one Francesca Patel is trying to keep to herself in **"The Song From Somewhere Else" (Bloomsbury, 219 pages, $16.99)**, the reader's dread grows with the turn of every page.

In A.F. Harrold's gripping novel set in England, the girl, who goes by Frank, cannot seem to turn around without being persecuted by an older boy and his malignant cronies. In the opening scene, the bullies catch Frank at the playground putting up posters for her lost cat. It's a hard few pages to read, not because the boys' cruelty is exceptional but because it's all too familiar. They mock her loss, tear up her posters and throw her shoulder bag into a patch of stinging nettles before strolling off, laughing.

A lumbering, smelly school outcast named Nick Underbridge has seen the whole thing, which sends Frank into fresh torment. Her feelings are unworthy, but children know them: "She felt embarrassed being alone in the playground with him. She worried that someone might see. She worried that someone would assume they were friends. She'd never hear the end of it."

When the bullies return, though, the two take off running, and soon, to Frank's horror, she has entered Nick's house. Given the boy's neglected appearance, the place is a surprise: It's clean, filled with paintings and astir with the most extraordinary music Frank has ever heard: "It was new, it was different, it was ancient. It poured into her like fresh orange juice, sharp and cold and full of vitamins. She knew it was doing her good, gulp by gulp, glass by glass. Each cluster of notes, each diving, vanishing melody, each odd change of rhythm wiped clean her soul."

We share Frank's relief in this unexpected moment of happiness, even as Mr. Harrold ratchets up the tension with the girl's discovery of a colossal secret hidden in Nick's basement. If anyone were to find out—well, we know we have reason to worry.

> Persecuted by bullies, a meek little girl discovers courage, an unlikely ally and a strange new world.

The book's pages are shot through with Levi Pinfold's monochrome illustrations. Some are just gusts of charcoal that swirl at the margins; others are detailed and brooding scenes; several give a shock of strange loveliness. For children ages 8-12, it's a haunting, sorrowful story tinged with magic and hope.

Outdoorswoman and Canadian marine conservation officer Terry Lynn Johnson creates a much more straightforward atmosphere of action and hazard in **"Overboard! (Survivor Diaries)" (HMH, 99 pages, $9.99)**, the first in a series of short books of catastrophe and endurance that promise to put children through an avalanche, a dust storm and a jungle misadventure.

This first book plunges a boy and girl into the icy waters off Washington state when a rogue wave hits their whale-watching boat. "Waves slammed my face," 11-year-old Travis narrates. "Wind screamed. The ocean spun around me. Cold water everywhere. Something shrieking. What was that noise?" He sees 12-year-old Marina, daughter of the boat's captain, thrashing nearby. She is injured, and the two of them are alone. "We have about an hour," she warns once she has steadied herself. "Then we'll probably lose consciousness."

Children ages 7-11 who love mettle-testing stories will love this one: They'll study the lurid front cover, with its towering, terrifying green wave, and pore over the "U.S. Coast Guard-Approved Cold-Water Survival Tips" at the end.

As with all created art, the illustrations in children's books tend to bear the marks of their era. Sometimes there is a blatant time stamp: think of the moustaches, poofy hair and wide lapels of 1970s picture-book dads.

ENCHANTED LION

Often, though, the effect is subtle and fugitive. It seems obvious that William Papas's picture book **"Tasso" (Pikku Vintage, 32 pages, $16.99)** has returned from the 1960s. But how? Is it the loose lines of black ink splashed with bright secondary colors? The enormous eyes of the two children, Tasso and Athena, who live with their father, a poor fisherman, in a seaside Greek village? Whatever it is, the pictures all but shout "the 1960s!" And indeed, Papas (1927-2000) first published this tale of modernity's intrusions in 1966.

To the joy of locals and tourists, Tasso loves to play his guitar-like bouzouki in the Trocadero café while his sister waits tables. No musician can go without a rest, though, and when customers demand nonstop entertainment, the proprietor brings in a flashing, blaring machine, the Rock-a-Rola. Welcome at first, the relentless music eventually ruins everything: "Nobody went to the Trocadero, nobody sang or danced, the donkeys became impossible and the goats just sat." A bold decision by the village restores Hellenic harmony at last in this tale for children ages 3-8.

The delicate artwork in Jacqueline Ayer's picture book **"The Paper-Flower Tree" (Enchanted Lion, 32 pages, $16.95)** shares nothing with "Tasso" except an indefinable sense of its having originated in the same era. It so happens that this story of a young Thai villager named Miss Moon, who trusts that a tree with paper blooms will grow from a little bead, first appeared in 1962.

True to its time, the story is wordier than picture books tend now to be, which is all to the good: The descriptions of Miss Moon's pastoral life, of the planting and harvesting of rice, of her refusal to believe the scoffers, give us time to savor the pictures (see above). Blocks of color, and fine lines alternating with crosshatching and patches of rough pencil, give a mystical feeling to this lovely tale from Southeast Asia.

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'It's not always easy to stand aside and be unable to do anything except record the sufferings around one.' —Robert Capa

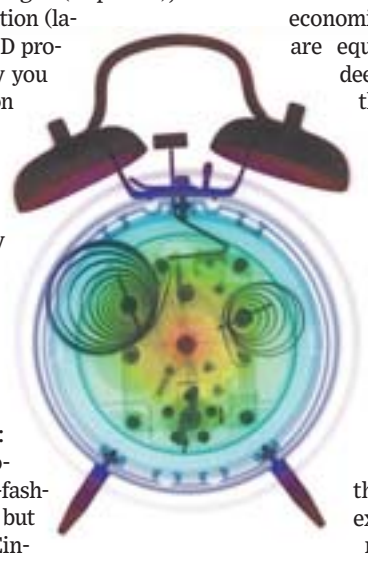
Day of Wonders

The Physics of Everyday Things
By James Kakalios
Crown, 245 pages, $26

BY STEVEN POOLE

WHY IS AN ELECTRIC toothbrush like a hotel keycard? And what relates an E-ZPass system to a toaster? Apparently disparate everyday technologies often share underlying principles, as James Kakalios, a professor of physics at the University of Minnesota, delights in explaining in "The Physics of Everyday Things," a vivid compendium of digestible science lessons. The toothbrush (when it's being charged) and the keycard both use one coil to induce a current in another coil. Meanwhile, electromagnetic waves are generated by both the E-ZPass and the toaster, which accounts for the red glow of the toaster's wire.

Mr. Kakalios organizes his book around the story of a somewhat busier-than-regular day: You wake up and have breakfast (explaining alarm clock and toaster); you drive into the city (automobile engines and GPS); you see the doctor (X-rays and MRI scans); you take a flight (airplanes); you give a presentation (laser pointers and LCD projectors); and finally you go to a hotel (motion sensors, keycards).



Many modern technologies rely on surprisingly old principles: The way the clock in a smartphone works is very close to the familiar physics of a spring. Some theoretical updates are crucial, though: A GPS system locates you using old-fashioned trigonometry but also corrects for Einsteinian relativity.

The pages constantly generate a pleasurable "Aha!" at the connections the author reveals. Systems that enable cars to park themselves, for example, rely on methodology first developed for the proximity fuses in antiaircraft shells, which used radar to know when they were close enough to detonate. And the light-emitting diode or LED is "nothing more than a solar cell run in reverse." Wait, really? Yes: "For a solar cell, light goes in and current comes out, while for an LED, current goes in and light comes out. Same device, just run forward or backward." Mr. Kakalios has an eye for the astonishing engineering detail, too: An OLED pixel in a high-end TV or smartphone screen is "thinner than the diameter of a single red blood cell."

Sometimes the author evinces an expert's genial frustration at the vagaries of public mood. Radiation is neither good nor bad in itself, he points out, only in its effects. Irradiating food to kill bacteria, he writes, is perfectly safe, because the food is not thereby made radioactive. But mention of radiation is "so emotionally charged that many will avoid any process that involves nuclear decay, even at the cost of preventable sickness and death." Elsewhere he notes that MRI was originally called NMRI, for "nuclear magnetic resonance imaging"—but they dropped the "N" because it scared patients.

Occasionally, too, he displays a scientist's inattention to non-scientific considerations. "There are only two reasons why, well into the twenty-first century, we still don't have flying cars," he writes: "physics and chemistry." Sure, physics and chemistry are issues (you need a lot of force to keep a heavy object aloft, and you need fuel with a lot of energy density), but economic and social reasons are equally important. Indeed, the author admits that standing right underneath a flying car's jet engines might be a little unpleasant for pedestrians—and that's not physics or chemistry, it's politics.

> From toasters to touch screens to TSA scanners, the tech you take for granted explained at last.

What of the future? The commercial embarrassment suffered by Samsung because of the Galaxy Note 7's exploding batteries might soon be a thing of the past if "supercapacitors" can match the capacity of lithium cells (they can already deliver energy much more rapidly). In theory, meanwhile, traffic flow along an expressway should be smooth, like water flowing through a pipe; it is only the aggregated decisions of individual human drivers that cause traffic jams. "Physics says that traffic would be forever smooth and easy," Mr. Kakalios writes wistfully, "if only we could get rid of the drivers." The good news is that getting rid of the drivers is exactly what Google and other companies are set on doing. One might still, though, want to resist a generalized dream of perfect, machinelike social efficiency: life reduced to physics and nothing but.

Mr. Poole is the author of "Rethink: The Surprising History of New Ideas."

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FIVE BEST: A PERSONAL CHOICE

Ray Moseley
on World War II correspondents

MR. MOSELEY is the author of 'Reporting War: How Foreign Correspondents Risked Capture, Torture and Death to Cover World War II.'

Not So Wild a Dream
By Eric Sevareid (1946)

1 ED MURROW hired Sevareid as a CBS correspondent solely because he admired his writing talent. A wise choice, for Sevareid was one of the war's finest writers. But with the German invasion of France, Sevareid discovered a fear of death that he found shaming and that caused him later to return home, literally sick with fear. He would nonetheless find courage after bailing out of a crippled plane over a part of Burma inhabited by headhunters. Sevareid's tribute to the proud spirit of Londoners during the Blitz can, even at this remove, bring a tear to the eye. "Not So Wild a Dream" is all the richer for its eloquent portrait of pre-war America. A college student in the '30s, he had been, like many, hostile to the military and to the idea of American involvement in any European war. He would not long after become a passionate enlistee in the anti-Nazi cause. In an acclaimed broadcast, he cautioned American parents to expect to find their sons transformed. "We can see, and tell you, that this war is brutalizing some among your sons and yet ennobling others. . . . War happens inside a man. . . . It can never be communicated. . . . That is also why, in a certain sense, you and your sons from the war will be forever strangers."

Eclipse
By Alan Moorehead (1945)

2 MOOREHEAD'S vivid account of the war in Europe has been rightly described as a masterpiece, a work of wisdom and compassion and some of the most moving writing to have come out of the war. His graphic account of the destruction of a German army in the Falaise Gap is unsurpassed by any work of reporting of the entire war. He could feel and express sympathy for the grim fate that befell the enemy, even as he welcomed their defeat. "Here in the apple orchards and the village streets one turns sick to see what has happened to them," he wrote of the German troops. "The beaten Wehrmacht is a pitiable thing." Still, for all the horrors he had witnessed, he had come to an understanding of the ways in which war, this war, could be ennobling. One Resistance leader, he wrote, "was suddenly projected . . . into an atmosphere where there really were possibilities of touching the heights, and here and there a man found greatness in himself." It was this that "refreshed and lighted the whole heroic and sordid story."

MEMORIAL In Okinawa, Japan.

GETTY IMAGES

Conquerors' Road
By Osmar White (1996)

3 WHITE'S BOOK almost never saw print. His British and American publishers, originally enthusiastic, rejected it without explanation. Clearly his accounts of military black marketeers, his criticism of Gen. Patton and of military racism, and his revulsion at the Nuremberg trials did not jibe with the postwar mood. But almost 40 years later, White resurrected his manuscript, which focuses on some of the darker aspects of the war and also provides one of the better accounts of the Allied drive into Germany in the late winter and spring of 1945. White arrived in Buchenwald shortly after the liberation, walking between tiers of bunks where emaciated and dying prisoners began weakly applauding and speaking in whispery voices. "Their voices were like the sound of wind in a dark, deep place. . . . The image of their eyes and their teeth as they smiled will, until the day I die, remain life's most terrible recollection."

Brave Men
By Ernie Pyle (1944)

4 PYLE'S EYE was ever on the ordinary GI, especially the infantry, "the God-damned infantry" that he loved. Writing with undisguised devotion about the men and their heroism, he became the most famous, most read, American print correspondent of the war. In a nation that feared for its survival, for sons and husbands in the fight, Pyle's column was a treasured morale booster. His own morale was another matter: Sickened by slaughter and haunted by a certainty that he would be killed, Pyle turned to drink. He wrote of the hardships of reporting. "We'd drained our emotions until they cringed from being called out from hiding. . . . I am not writing this to make heroes of the correspondents . . . merely to let you know that correspondents, too, can get sick of war—and deadly tired." His moving account of the death of a beloved Texas officer in Italy was the most celebrated American dispatch of the war. Four months before Japan's surrender, Pyle's intimation of his fate proved justified. He was killed by a Japanese bullet and America mourned.

Weller's War
By George Weller (2009)

5 NO OTHER correspondent ranged over as many battlefronts: Greece, Africa, the Middle East, Papua New Guinea, Italy, Burma, China and Japan. The first correspondent into Nagasaki after the second atomic bomb had been dropped, Weller squandered his magnificent scoop—which he could have smuggled out—by engaging in a foredoomed battle with Gen. MacArthur's censors. That lapse aside, Weller made an impact everywhere he went. One of his reports inspired a Gary Cooper movie. Another, on medically untrained submariners performing an undersea appendectomy, won a Pulitzer Prize. His description of the horrors of New Guinea is scarcely bearable: "Everything you own including your body is partly broken, rusty, moss-covered, insect-infested, diarrhetic, fevered, dirty, diseased, wet and muddy, or smells of putrefying Japs." "Weller's War," which contains his principal dispatches, was compiled after his death by his son, Anthony.

Best-Selling Books | Week Ended June 25

With data from NPD BookScan

Hardcover Nonfiction

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Astrophysics for People in a Hurry Neil deGrasse Tyson/W.W. Norton & Company	1	3
Al Franken, Giant of the Senate Al Franken/Twelve	2	2
Understanding Trump Newt Gingrich/Center Street	3	1
Hillbilly Elegy J.D. Vance/Harper	4	9
Make Your Bed William H. McRaven/Grand Central Publishing	5	4
Bill O'Reilly's Legends and Lies David Fisher/Henry Holt & Company	6	5
She Persisted Chelsea Clinton/Philomel Books	7	8
Strengths Finder 2.0 Tom Rath/Gallup Press	8	–
The Subtle Art of Not Giving A F*ck Mark Manson/HarperOne	9	–
The Day the World Went Nuclear Bill O'Reilly/Henry Holt & Company	10	New

Hardcover Fiction

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Camino Island John Grisham/Doubleday Books	1	1
Wonder R. J. Palacio/Knopf Books for Young Readers	2	6
The Silent Corner Dean R. Koontz/Bantam	3	New
Into the Water Paula Hawkins/Riverhead Books	4	4
The Rainbow Fish Marcus Pfister /Northsouth (NY)	5	5
Dangerous Minds Janet Evanovich/Bantam	6	New
Oh, the Places You'll Go! Dr. Seuss/Random House Children's Books	7	3
Tom Clancy Point of Contact Mike Maden/G.P. Putnam's Sons	8	2
Come Sundown Nora Roberts/St. Martin's Press	9	8
The Force Don Winslow/William Morrow & Company	10	New

Methodology

NPD BookScan gathers point-of-sale book data from more than 16,000 locations across the U.S., representing about 85% of the nation's book sales. Print-book data providers include all major booksellers (now inclusive of Wal-Mart) and Web retailers, and food stores. E-book data providers include all major e-book retailers. Free e-books and those sold for less than 99 cents are excluded. The fiction and nonfiction lists in all formats include adult, young adult, and juvenile titles; the business list includes only adult titles. The combined lists track sales by title across all print and e-book formats; audio books are excluded. Refer questions to Peter.Saenger@wsj.com.

Nonfiction E-Books

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Your Move Ramit Sethi/Ramit Sethi	1	New
Hillbilly Elegy J.D. Vance/HarperCollins Publishers	2	5
Al Franken, Giant of the Senate Al Franken/Grand Central Publishing	3	2
Astrophysics for People in a Hurry Neil deGrasse Tyson/W.W. Norton & Company	4	7
Killers of the Flower Moon David Grann/Knopf Doubleday Publishing Group	5	–
The 5 Second Rule Mel Robbins/Savio Republic	6	–
The Day the World Went Nuclear Bill O'Reilly/Henry Holt and Co. (BYR)	7	New
The Subtle Art of Not Giving A F*ck Mark Manson/HarperCollins Publishers	8	–
The Art of Happiness Dalai Lama/Penguin Publishing Group	9	–
The Bread Bible Rose Levy Beranbaum/W.W. Norton & Company, Inc.	10	–

Nonfiction Combined

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Astrophysics for People in a Hurry Neil deGrasse Tyson/W.W. Norton & Company	1	3
Hillbilly Elegy J.D. Vance/Harper	2	8
Al Franken, Giant of the Senate Al Franken/Twelve	3	2
Milk and Honey Rupi Kaur/Andrews McMeel Publishing	4	7
Make Your Bed William H. McRaven/Grand Central Publishing	5	4
Understanding Trump Newt Gingrich/Center Street	6	1
The Day the World Went Nuclear Bill O'Reilly/Henry Holt & Company	7	New
The Subtle Art of Not Giving A F*ck Mark Manson/HarperOne	8	–
Killers of the Flower Moon David Grann/Doubleday Books	9	–
Your Move Ramit Sethi/Ramit Sethi	10	New

Fiction E-Books

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Camino Island John Grisham/Knopf Doubleday Publishing Group	1	1
Dangerous Minds Janet Evanovich/Random House Publishing Group	2	New
The Letter Kathryn Hughes/Headline Book Publishing, LTD	3	4
The Silent Corner Dean R. Koontz/Random House Publishing Group	4	New
Come Sundown Nora Roberts/St. Martin's Press	5	3
The Black Widow Daniel Silva/HarperCollins Publishers	6	–
The Identicals Elin Hilderbrand/Little, Brown and Company	7	2
Beach House for Rent Mary Alice Monroe/Gallery Books	8	New
Trap the Devil Ben Coes/St. Martin's Press	9	New
Tycoon Katy Evans/KT Publishing LLC	10	New

Fiction Combined

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Camino Island John Grisham/Doubleday Books	1	1
Dangerous Minds Janet Evanovich/Bantam	2	New
The Silent Corner Dean R. Koontz/Bantam	3	New
Wonder R. J. Palacio/Knopf Books for Young Readers	4	–
Come Sundown Nora Roberts/St. Martin's Press	5	4
Into the Water Paula Hawkins/Riverhead Books	6	5
The Woman in Cabin 10 Ruth Ware/Gallery/Scout Press	7	7
The Handmaid's Tale Margaret Atwood/Anchor Books	8	8
The Letter Kathryn Hughes/Headline	9	–
The Identicals Elin Hilderbrand/Little, Brown and Company	10	2

Hardcover Business

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Strengths Finder 2.0 Tom Rath/Gallup Press	1	1
The Five Dysfunctions of a Team Patrick M. Lencioni/Jossey-Bass	2	3
Extreme Ownership Jocko Willink & Leif Babin/St. Martin's Press	3	5
Total Money Makeover Dave Ramsey/Thomas Nelson	4	4
The Energy Bus Jon Gordon /John Wiley & Sons	5	–
The Ideal Team Player Patrick M. Lencioni/Jossey-Bass	6	–
Lean In Sheryl Sandberg/Knopf Publishing Group	7	9
The 4-Hour Workweek Timothy Ferriss/Crown Publishing Group (NY)	8	8
The ONE Thing Gary Keller & Jay Papasan/Bard Press (TX)	9	–
Who Moved My Cheese? Spencer Johnson/Penguin Putnam	10	10

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CHRIS SORENSEN FOR THE WALL STREET JOURNAL

WEEKEND CONFIDENTIAL: ALEXANDRA WOLFE

Bob Roth

The nonprofit executive is working to bring transcendental meditation to all

BOB ROTH knows his field sounds a little like "woowoo" spirituality, as he says. But as a teacher of transcendental meditation, he now works with a wide-ranging clientele that includes celebrities such as Katy Perry and Jerry Seinfeld, hedge-fund managers, inner-city students, prisoners and veterans. He has the same goal for everyone: to teach them the virtues of T.M., as it's called—a practice that involves silently reciting a mantra over and over for 15 to 20 minutes twice a day.

Proponents say that the practice reduces stress and raises self-awareness. Bridgewater founder and co-chairman Ray Dalio, a student of Mr. Roth's for more than a decade and a donor to the foundation, is a believer. The practice has been "integral to whatever success I've had in life," he says. "It makes one feel like...a ninja in a movie, like you're doing everything calmly and in slow motion."

Mr. Roth, 66, is chief executive of the David Lynch Foundation, a nonprofit he co-founded with the film director in 2005 that is dedicated to teaching transcendental meditation, particularly to at-risk populations, "to improve their health, cognitive capabilities and performance in life," as the foundation's website says. Some of its funds come from teaching courses to companies and individuals; a four-day training course costs up to $960 a person. The foundation has 60 employees in the U.S. as well as partners in 35 countries.

In early June, Mr. Roth opened the nonprofit's first office in Washington, D.C., where he says he is currently teaching a dozen members of Congress. His organization has also been participating in studies in prisons recently. In a study published last year in the Permanente Journal, 181 male inmates at the Oregon State Correctional Institute and the Oregon State Penitentiary in Salem either took a transcendental meditation program through the foundation or did nothing outside their usual routine. The researchers found greater reductions in anxiety, depression and trauma symptoms in the group that had taken meditation.

Mr. Roth finds an analogy in the sea. "The ocean can be active and turbulent on the surface, sometimes with tsunami-like 30-foot waves, but is, by its nature, silent at its depth," he says. "The surface of the mind is the active, noisy, thinking mind—often racing, noisy, hyperactive, turbulent. But like the ocean, the mind of everyone is quiet, calm, silent at its depth."

T.M. was developed in India by Maharishi Mahesh Yogi, a physicist turned meditation teacher, in the 1950s; it gained popularity in the 1960s when he worked with the Beatles and other celebrities.

His students range from children to celebrities.

The son of a doctor and a teacher, Mr. Roth dreamed of being a senator when he was young. He started meditating in college at the University of California, Berkeley, after a friend suggested it as a way to relax amid the student riots on campus.

He was skeptical at first but soon became hooked. After he graduated in 1972, he started teaching meditation to children in inner-city schools in San Francisco. A few years later, he traveled to Europe to study under Maharishi Mahesh Yogi before returning to California to continue teaching over the next decade. In 1982, he moved to Washington, D.C., where he eventually met Mr. Lynch, the director of "Blue Velvet" and "Twin Peaks," who had taken up the practice in the 1970s. "If you are a human being, [transcendental meditation] works," says Mr. Lynch.

Contrary to what you might expect for a meditation teacher, Mr. Roth often wears a suit with a crisp white shirt. (More predictably, he has a serene demeanor.) He lives alone in New York, and in his downtime enjoys trying new Asian fusion and Italian restaurants and watching sports, especially baseball. "I grew up with Willie Mays, who was my first hero," he says.

He spends half his time teaching and the other half running the organization. For all of his new students, instruction is the same. He conducts a short ceremony in which he acknowledges past teachers and gives each student a mantra—a sound or word that has no meaning and is to be repeated silently during the meditation. (The student keeps that mantra forever.) After that, the student closes his or her eyes for 20 minutes and silently recites the mantra while sitting in a comfortable position.

In follow-up sessions, Mr. Roth discusses the benefits of the practice, refreshes students' techniques and answers any questions they have, often meditating alongside them. Critics have said that the practice isn't any better than therapy, exercise or medication at reducing stress, but Mr. Roth points to studies that have shown it to be effective, including in reducing high blood pressure. "It's not a matter of 'either or,' " he says. "It's a wiser matter of 'and also.' "

The foundation is now participating in a study with the University of Chicago's Crime Lab to research whether T.M. can reduce violence and improve scores in a trial with 2,000 children in five Chicago public schools. Next year, the research will expand to 800 students in two public schools in New York.

Mr. Seinfeld has been working with Mr. Roth for the past eight years and has performed at some of the foundation's benefits. "It completely changed my ability to do work and be active and do the things I want to do," he says. "Wives like to go out to dinner and husbands just want to lie there, but now I find I can do anything, with the T.M. to restore me," he adds with a laugh.

MOVING TARGETS: JOE QUEENAN

The Fine Art of 'Customer Care' Lip Service

RESPONDING TO complaints from outraged consumers, American Airlines has reversed its decision to reduce the space between some coach seats in new planes to as little as 29 inches from 31 inches. The airline now realizes that such a reduction in size would be cruel, heartless, verging on the sadistic. So, in an act of enormous clemency, the airline says that it will merely slash the space between seats by an eensy-teensy inch, to 30. Satisfied?

Anyone who has recently flown in coach knows that flying is one of the least pleasant experiences known to man. If you are taller than 4 feet 10 inches, you will spend the entire trip in excruciating discomfort. This is also true if you weigh more than 135 pounds. Reducing the space between seats by only an inch and then acting like it is some sort of magnanimous gesture just goes to show what fabulous contempt airlines feel for their customers.

Inspired by American Airlines' chutzpah, other industries may soon adopt a similar strategy of announcing plans to make a disliked or overpriced product even more expensive or painful and then relenting—partially.

For example: A company sets up its tech-support line to inform customers that due to unusually high call volumes, the average wait will be between 45 minutes and three years. The public goes nuts. The chastened firm then says: "You're right. A 45-minute wait to talk to an inept, unsympathetic rep with an attitude after being forced to listen to static-filled, inane smooth jazz is outrageous. From now on, the average wait will be 44 minutes. And as a bonus, we'll promise that the rep can speak English."

But why should this ingenious brand of bait-and-switch stop at airlines and electronics? Rock musicians, responding to criticism that a 19-minute guitar solo on "Free Bird" will drive patrons into the street, graciously agree to scale it back to 16.5 minutes. Hotels say that they're raising the price of a microscopic bag of minibar peanuts to $12, then say: "Our bad. Make it a nice round $11.50." Scalpers decide that the price of a ticket to "Hamilton"—which they had been thinking about jacking up to $1,000, plus the ticket buyer's firstborn child—will now cost the far more generous price of $999.99. And they're fine with the second-born child.

When airlines take back an inch, it's time to take back a yard.

NISHANT CHOKSI

Maybe it's time to fight back. We can start with planes. From now on, we are no longer waiting until the first-class passengers are seated before we board the plane. We're boarding the plane now, and we're sitting wherever we damn well please. We paid for our crummy, uncomfortable seats, and we want to get as much use out of them as we can.

And, dear airline, since you have such a deplorable attitude about the seating, we'll have a deplorable attitude about everything else. Starting today, we are spilling chocolate all over the seats, smearing honey inside the overhead compartments and crumbling the stale dwarf pretzels all over the carpet. Does that mean it's going to take a few extra hours to get the plane cleaned and ready for the next flight? Boohoo.

Finally, if you take away that extra inch of space on your Procrustean aircraft, we're going to start sticking our feet in the aisles and leaving them there until we land in Sydney. If the staff cannot get past to sell liquor and overpriced perfume, tough. Take back an inch, and we'll take back a yard. Two can play this game.

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EXHIBIT

Smile!

BRIAN SKERRY has been intrigued by the ocean ever since he took a course in scuba diving as a teenager. He turned it into his day job by becoming a nature photographer specializing in underwater life. His work is now featured in the exhibit "Sharks: On Assignment With Brian Skerry" at the National Geographic Museum in Washington, D.C., running through October. (There's a $25 companion book, "Shark," as well.) Capturing the creatures is tricky work; sometimes he wears a chain-mail suit to protect himself or brings an assistant to monitor what's around him. He has a few rules, he says: "Never let your guard down, never be complacent, and make sure one's not sneaking up behind you." —*Alexandra Wolfe*

Left: Oceanic white tips are among the species of shark that are, controversially, fished and used in shark fin soup. In this photo, Mr. Skerry's friend, who is holding a video camera, swims near a 9-foot-long white tip in the Bahamas.

Below left: Mr. Skerry used a camera mounted on a pole to get this shot of a mako shark. The shark saw the camera and tried to bite it—not necessarily to eat it but to find out what it was.

Below right: Small silver jack fish swim underneath this 14- to 15-foot-long great white shark. Mr. Skerry says the fish could be using the shark as protection from other predators. Because great whites are so dangerous, he went into the water in a cage to photograph this one.

PHOTOS BY BRIAN SKERRY/NATIONAL GEOGRAPHIC

PLAYLIST: MIKE TYSON

A Heavyweight Title

A former boxing champion finds music outshines the lyrics in MFSB's 'Love Is the Message'

Mike Tyson, 51, is a former professional boxer who simultaneously held the WBC, WBA and IBF heavyweight titles. He is the author, with Larry Sloman, of "Iron Ambition: My Life With Cus D'Amato" (Blue Rider). He spoke with Marc Myers.

When I was 10, I was living on the streets of the Brownsville section of Brooklyn, N.Y. I was running wild, without adult supervision and getting into trouble. That's where I first heard MFSB's **"LOVE IS THE MESSAGE."**

My father had been a regular street guy who abandoned my mother and me when I was born. Alone, my mother couldn't control me.

One day in 1976, I was at a party at a neighborhood center. A guy spinning records put on "Love Is the Message." It had come out in 1973, but I hadn't heard it before. To extend the song, he used two copies of the record, switching back and forth when the other was ending.

The instrumental grabbed me instantly. The song's intro was gentle, with electric bass and strings and then electric piano. The buildup was fantastic. Then the saxophone came in backed by a huge crew in the orchestra.

After a long section with strings, the sax began to solo. I later learned it was Zach Zachary. He sounded like he was singing the song through his instrument. And the drums by Earl Young were crazy. He put down this skippy dance beat. I was a horrible dancer, but that beat moved me.

Philly's MFSB (Mother, Father Sister, Brother), this big orchestra of studio musicians, also recorded a vocal version of the song with The Three Degrees, but the words didn't really mean anything to me: "Love is, love is the message that I sing to you / Love is the message that I bring to you."

'The sound of success.'

The instrumental was better. Eventually a friend recorded a cassette tape for me of the instrumental version playing over and over. It was the sound of success.

When I became a boxer, I never listened to "Love Is the Message" when training. It wasn't a battle song. It was for showing off at parties.

Today, I live with my wife and our two children in Las Vegas. Now the song takes me back to a time when it didn't take much to make people happy. I was one of those people.

GETTY IMAGES

MFSB performing in Philadelphia around 1978.

HISTORICALLY SPEAKING: AMANDA FOREMAN

The Ancestors of 'Sgt. Pepper'

WHEN THE BEATLES' "Sgt. Pepper's Lonely Hearts Club Band" turned 50 on June 1, many critics and music lovers praised it as a work that both helped to create the modern concept album and became the anthem for the Summer of Love generation. From the innovative cover design to the musical mashups that included a 40-piece orchestra and a "kazoo" made of toilet paper and a comb, "Sgt. Pepper" seemed to be all about change and freedom.

Yet I would argue the reverse: that the album has held up for half a century because it's so traditional.

After all, what is a concept album but a late 20th-century version of the song cycle? Both are commonly defined as a collection of related songs that narrate an idea, theme or story. But the song cycle, which had a 19th-century overhaul by Beethoven, goes back thousands of years.

The earliest known song cycle may be a collection of 42 sung Sumerian Temple Hymns, written around 2200-2300 B.C. by the Sumerian high priestess Enheduanna. (She may also be the first known author in history.)

Over the next two millennia the genre expanded far beyond the confines of temples to become the popular folk music of its day. Around the eighth century B.C., Homer's "Iliad" and "Odyssey" featured in part-spoken, part-sung performances aimed at a general audience. Indeed, many of the world's most famous epic poems, such as the great Hindu work "Mahabharata," a mythological and religious poem appearing in its present form around A.D. 400, and the Anglo-Saxon heroic chronicle of "Beowulf," composed around 700-750, started as either wholly or partly musical "saga-cycles."

Then, for centuries, the song-cycle form languished while composers developed sophisticated individual songs and operas. Beethoven revived it, expanding the form to include a wider exploration of emotions and ideas. In 1816, a set of love poems by a young poet named Alois Isidor Jeitteles inspired Beethoven to compose "An die Ferne Geliebte" ("To the Distant Beloved"), six musically interconnected songs that evoke the pain of separation.

Beethoven didn't compose any more song cycles, but the radicalism of his attempt made its mark on music.

Beethoven gave a crucial makeover to the song cycle.

The genre developed further with Franz Schubert. His somber 24-song cycle "Winterreise" ("Winter Journey," 1827) made the piano an equal partner for the first time, as it took up the task of evoking much of the natural landscape described in the text. Robert Schumann's 1840 "Dichterliebe" ("The Poet's Love"), using careful key changes and more repeated musical material, introduced the central tenet behind the song cycle and the concept album: The whole work must cohere thematically and artistically.

That rule guided the 20th-century transition of the song cycle to the concept album. But "Pepper" wasn't the first: In America, folk singer Woody Guthrie used his Depression experiences in the 1940 "Dust Bowl Ballads"—with such songs as "I Ain't Got No Home in This World Anymore"—while Brian Wilson piloted the Beach Boys to "Pet Sounds" (1966), in which many critics saw the rise and fall of a love affair.

Fifty years after "Sgt. Pepper," the internet has changed the music industry beyond all recognition. But, as the success of Beyoncé's 2016 concept album "Lemonade" demonstrates, the oldest of our musical forms is still the future.

THE COVER ART for 'Sgt. Pepper's Lonely Hearts Club Band.'

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PLAY

NEWS QUIZ: Daniel Akst

From this week's Wall Street Journal

1. All 34 firms subjected to Federal Reserve stress tests passed. What was the key factor?

○ **A.** Prozac
○ **B.** Higher dividend payouts
○ **C.** Piling up additional capital
○ **D.** The adoption of Venmo for clearing payments

2. Amtrak named a new CEO. Who is it, and where from?

○ **A.** Sir Topham Hatt (North Western Railway)
○ **B.** Richard Anderson (Delta Air Lines)
○ **C.** Helena Williams (Long Island Rail Road)
○ **D.** Hunter Harrison (CSX)

3. Litter from minibottles of liquor has politicians battling in Maine. Which brand is the most popular?

○ **A.** Lobster Claw Liqueur ("A taste as big as the ocean")
○ **B.** Northwoods Gin ("Juniper that jumps out of your glass")
○ **C.** Penobscot Vodka ("Made from Maine potatoes")
○ **D.** Fireball Cinnamon Whisky ("Tastes like heaven, burns like hell")

4. Quick, what's Heterodox Academy?

○ **A.** A for-profit prep school praised by Education Secretary Betsy DeVos
○ **B.** A chain of inner-city charter schools that accepts only boys
○ **C.** A group of professors seeking more diversity of opinion on campuses
○ **D.** A controversial new film set in the 1960s

5. Who sailed to victory in the America's Cup?

○ **A.** Emirates Team New Zealand
○ **B.** Oracle Team USA
○ **C.** SoftBank Team Japan
○ **D.** Team Australia

6. Takata filed for bankruptcy protection. How many of its defective air bags remain in use in this country?

○ **A.** 5.4 million
○ **B.** 54 million
○ **C.** 540 million
○ **D.** Nobody knows

7. Which of these is a risky maneuver sometimes used to distract opponents in a logrolling competition?

○ **A.** Reaching around and tapping one on the opposite shoulder
○ **B.** Kicking water up into their face
○ **C.** Scratching their back and then asking that they scratch yours
○ **D.** Yelling, "Hey, isn't that a moose?"

To see answers, please turn to page C4.

FROM TOP: REUTERS; NATE RYAN FOR THE WALL STREET JOURNAL

VARSITY MATH

Provided by the **National Museum of Mathematics**

To pass the time on their summer road trips, the students doodle and play coin-flipping games.

ILLUSTRATION BY LUCI GUTIÉRREZ

Penny Race

In one game, the first player picks a pattern of heads and tails, like "HHT," and the second player picks another pattern of the same length, like "THH." Then they flip a coin over and over, one flip at a time. The winner is the player whose pattern comes up first in the random sequence of heads and tails generated by the coin.

With these particular patterns, what is the probability the second player wins?

For previous weeks' puzzles, and to discuss strategies with other solvers, go to WSJ.com/puzzle.

Quirky Quads

Chris is interested in *convex polygons*—closed shapes, formed from straight lines, that have no indentations (or in other words, that have all interior angles strictly less than 180 degrees). For example, a regular pentagon is convex but a five-pointed star is not. Chris notices that any three points not on a line determine a triangle, which is always a convex polygon. However, any four points, no three of which are on a line, do not necessarily create a convex quadrilateral.

What's the smallest number, n, so that any collection of n points (with no three on the same line) will always contain four that form a convex quadrilateral?

+ Learn more about the National Museum of Mathematics (MoMath) at **momath.org**

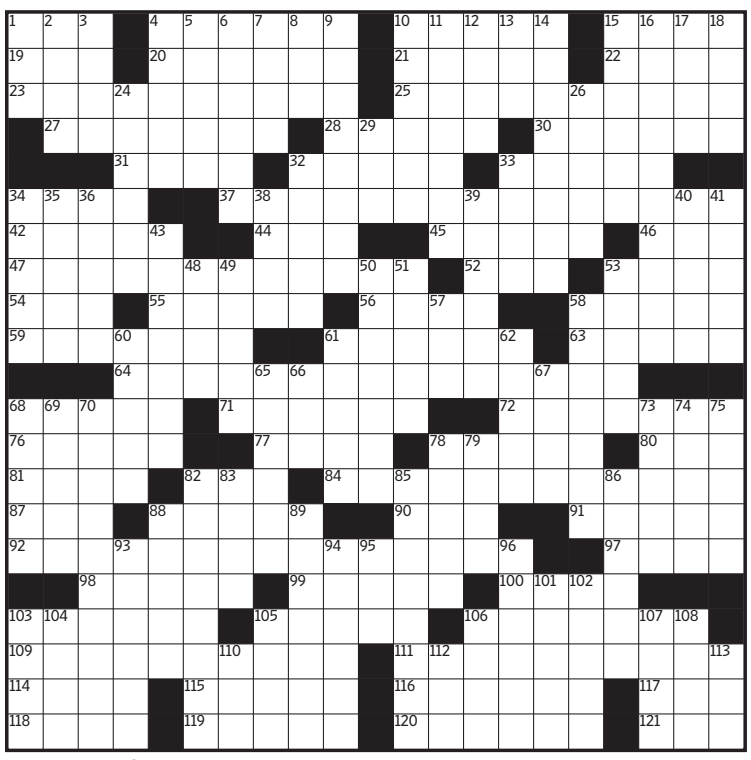
SOLUTIONS TO LAST WEEK'S PUZZLES

Varsity Math
The **Great 48** road trip from last week must end in Maine, and the **Southern Circuit** ends in Missouri.

Added Fees

Alternation

THE JOURNAL WEEKEND PUZZLES Edited by Mike Shenk



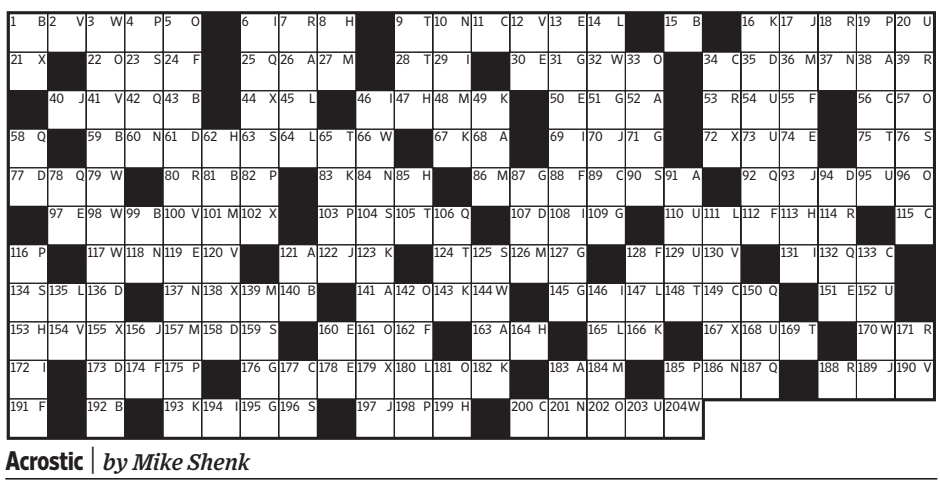
Puzzle 1000 | *by Harold Jones*

Across

1 Floppy topper
4 Put-down artist
10 Prickly flora
15 "The Immoralist" author
19 Plaza de Toros cry
20 Safe from hackers
21 Milwaukee Braves rookie of 1954
22 ___ impulse
23 Foe in the NCAA basketball tourney?
25 Committee in charge of plans to fight Gargamel?
27 Diatribes
28 Shaw with a clarinet
30 Hasidic leaders
31 Piedmont wine region
32 Hooch producer
33 Expedia listing
34 Take in
37 Plane seat part for use only by passport holders?
42 Topped with volutes
44 Martinmas mo.
45 Gutters' spots
46 "...___ a lender be"
47 Diapers printed with jokes?
52 Brother of 76-Across
53 "Give it ___!"
54 Half of hex-
55 Gives a hoot
56 The Beatles' "___ Love Her"
58 Drive-thru side
59 Metal marble
61 Foe of MI6 in Bond novels
63 Mock tribute
64 Fishing in Falmouth and trainspotting in Truro?
68 Particle composed of a quark and an antiquark
71 National Railroad Passenger Corporation, familiarly
72 Virtual directory
76 Brother of 52-Across
77 Promote
78 Docket makeup
80 You may be followed by it
81 Like four-leaf clovers
82 Penultimate letter
84 Sockeye that's a knockout?
87 G.P.'s gp.
88 Cockatoo feature
90 Wall St. maneuver
91 Popular health info source
92 Miniature albino citrus fruit?
97 Drag club accessories
98 Friendly talks
99 "Veni, vidi, vici," for one
100 Co-star of Bolger and Haley
103 Sad news
105 "Cool!"
106 Like argon
109 Highlight of a zoo's Instagram page?
111 Troubadour by the side of a highway exit?
114 Lion's pride
115 Pull gently
116 Debate premises
117 Summer sign
118 Diner menu section
119 Hardhearted
120 Most sound
121 Mamie's mate

Down

1 Mix in the movies
2 "Sad to say..."
3 Soldier of fortune
4 Arson aftermath
5 Floppy topper
6 Sharp, in a way
7 Santa Fe and Tahoe, e.g.
8 Ace's stat
9 Not absolute
10 Keep house?
11 "When We Were Very Young" writer
12 Metal's Mötley ___
13 Mountain crag
14 Between visible and microwave
15 Peanut, informally
16 One way to graduate or to be convicted
17 Exhibit audacity
18 Möbius strip's lack
24 Pack tightly
26 Highway shoulders
29 Ahmed of "Rogue One"
32 Cuts off
33 Bean variety
34 Makes finer
35 Magic workplace
36 Miss Hannigan's spunky charge
38 Tim McGraw's "The Cowboy ___"
39 Cruel fellow
40 Sensitive spots
41 Motel meeting
43 Coney Island coaster
48 Match
49 Main event setting
50 Run amok
51 Underhanded schemer
53 Debunked?
57 MRI orderers
58 Aid for intricate cutting
60 Maître's domain
61 Myrtle or mock orange
62 Tantrum
65 Mischievous
66 Letters on Cardinal caps
67 Ludwig ___ van der Rohe
68 Work on a wall
69 As a friend, in French
70 Purpose of a pet post
73 "Dirty Dancing" dance
74 Bakery come-on
75 Remains unresolved
78 Measure for Noah
79 Mighty bit
82 Some academic diagnostics
83 Makes duds
85 Licorice candies
86 Basketball's "King James"
88 Surgical tool
89 Like prayer wheels
93 It's held in London banks
94 Comfortably warm
95 Mother's command
96 Wear on
101 Mules' fathers
102 Bank job
103 Mountaineering goal
104 Mass of tangled hair
105 Scrubbed launch
106 Mafioso foes
107 Misshapen citrus fruit
108 Apply for
110 Makeshift housing
112 Moment of realization
113 Pricey cracker topper



Acrostic | *by Mike Shenk*

To solve, write the answers to the clues on the numbered dashes. Then transfer each letter to the correspondingly numbered square in the grid to spell a quotation reading from left to right. Black squares separate words in the quotation. Work back and forth between the word list and the grid to complete the puzzle. When you're finished, the initial letters of the answers in the word list will spell the author's name and the source of the quotation.

A. Long Island town that's the site of Teddy Roosevelt's grave (2 wds.) — 26 52 68 163 38 91 183 121 141
B. Lamp fuel supplanted by kerosene in the late 1800s (2 wds.) — 140 43 15 59 1 81 192 99
C. Jazz standard that was a 1929 hit for Rudy Vallee and His Connecticut Yankees (4 wds.) — 149 34 11 89 56 200 133 115 177
D. Marine mollusk whose name comes from the Greek for "sailor" — 158 77 61 107 35 94 136 173
E. Foremost sail on a typical square-rigged ship (2 wds.) — 119 30 160 151 74 13 50 178 97
F. Glowing with a reddish light — 24 162 88 174 191 112 55 128
G. State of balance — 127 176 71 31 195 51 87 145 109
H. Rising talent (2 wds.) — 8 164 47 85 62 113 199 153
I. Mythology's Eurydice, for one (2 wds.) — 131 29 194 6 172 69 46 146 108
J. Transport for a harvest festival ride (2 wds.) — 17 189 197 40 93 156 70 122
K. Austria under the Habsburgs, for one — 67 166 83 193 123 143 16 49 182
L. Snack brand available in Crispy Rounds and Hint of Lime varieties — 64 135 14 180 147 111 165 45
M. Landmark TV series that premiered in October 1951 (3 wds.) — 157 101 139 126 86 36 27 48 184
N. Sand-covered plain that was the setting of TV's "Meerkat Manor" — 137 84 37 60 186 201 10 118
O. NATO's Operation Unified Protector implemented one in Libya in 2011 (2 wds., Hyph.) — 57 142 22 181 5 96 161 202 33
P. In the audience; leading (2 wds.) — 198 82 175 116 4 103 19 185
Q. American chicken breed raised for both eggs and meat — 92 25 132 78 58 106 150 42 187
R. Basketball shot taken while jumping backwards from the basket — 53 171 39 114 7 188 18 80
S. Complete reversal of opinion or attitude (Hyph.) — 23 104 90 196 125 159 63 76 134
T. U.S. area where steel production was once a booming business (2 wds.) — 148 169 75 28 9 65 124 105
U. Vegetable dish with a name from the Narragansett Indians — 110 54 203 20 168 95 73 152 129
V. Shown to the public for the first time — 154 12 2 120 41 190 130 100
W. Forage crop that's the state flower of Vermont (2 wds.) — 144 3 79 170 117 98 32 204 66
X. Visual razzle-dazzle (2 wds.) — 21 167 179 72 44 138 155 102

▶ **Get the solutions** to this week's Journal Weekend Puzzles in next Saturday's Wall Street Journal. Solve crosswords and acrostics online, get pointers on solving cryptic puzzles and discuss all of the puzzles online at **WSJ.com/Puzzles.**

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PLYWOOD ice-skating shelters, above, built by Patkau Architects in Winnipeg, Manitoba, in 2012; below, a plywood chair designed by Grete Jalk, 1963.

ICONS

Plywood's Star Turn

A U.K. exhibition shows designers making a humble material 'sexy and groovy'

BY J.S. MARCUS

SOME OF THE 20TH CENTURY'S most influential furniture designers had a soft spot for plywood, the highly durable, lightweight wood product lurking beneath the surface of much of modern life and often dismissed as "real" wood's poor relation.

To illustrate just how much can be done with the substance, London's Victoria and Albert Museum has put together "Plywood: Material of Modern Life," a new 147-work exhibition that shows the material in forms ranging from high-modernist chairs to mid-Cold War fallout shelters. The technique of creating plywood—thin layers of wood, glued together with their grain running in alternate directions—dates back at least to ancient Egypt, says co-curator Christopher Wilk.

Plywood came into its own starting in the mid-19th century, when mechanized saws started to create thinner, less expensive and more regular wood layers. The exhibition, which opens July 15 and runs into the fall, seeks to credit modern plywood's industrial-age innovators—above all, Singer Manufacturing.

Singer sold not only plywood stands for its sewing machines but also other plywood furniture, even felling trees from company-owned forests to make the material. From the 1880s to the 1950s, Singer was probably the world's largest plywood furniture manufacturer, Mr. Wilk says. Meanwhile, plywood tea chests—cases used for shipping—kept the British Empire's critical teatime going, while the Edwardian Ernest Shackleton adapted the chests' forms for his Antarctic explorations.

Among the earliest works in the roughly chronological display are designs by German-American John Henry Belter, the master of ornate Victorian furniture, who took advantage of plywood's lightness to produce his otherwise weighty, neo-rococo pieces. The V&A is exhibiting a curved-back chair from around 1860, for which Belter turned to rosewood-veneer plywood because solid rosewood was both too expensive and too heavy to shape into a curve.

Chairs, tables and parts of a racing car.

By the 1930s, plywood was turning into a favorite material for some of the world's top designers. The Finnish architect Alvar Aalto won a commission to design a sanatorium for tuberculosis patients outside Turku, in the southwest of the country. Inspired by Bauhaus-era Germany's tubular steel furniture, Aalto reinterpreted their curves and angles in plywood, coming up with a building full of such pieces.

One of the German-based masters of the tubular steel furniture that inspired Aalto, Marcel Breuer, turned to plywood himself after fleeing Nazi Germany for London, creating plywood classics for the furniture maker Isokon. The pieces are now valued for their comfort as well as their flowing lines. The show includes a Breuer prototype dining table, made of five-ply molded birch plywood.

In the U.S., Charles and Ray Eames advanced their plywood prowess with a waterproof plywood splint, created as medical gear for the Navy during World War II. Their DCM chair of 1946, with a molded-plywood seat and back, managed to be ergonomic before the term became widely used and spawned many homages—some of which are in the new V&A show, along with one of the originals.

"Plywood" might seem to be a departure from the V&A's newfound penchant for shows with a higher glamour quotient, often emphasizing fashion or popular culture. Museum Director Tristram Hunt disagrees. "There is something sexy and groovy about plywood," he says, citing "the unexpected" nature of objects like the displayed 1967 British Formula Two racing car, with critical components of birch plywood.

Today, some plywood works can get high prices at auction. In 2015, a Breuer Isokon plywood chaise lounge from 1936 sold for $81,250 at a 2015 sale at Wright, the design auction house. A year later, a circa 1950 Aalto plywood table sold for €375,900, or about $425,000 today, overshooting a presale estimate of €1,000–€1,500 at a Paris auction.

As for those Eames plywood splints, the Navy bought something like 150,000 of them. But far from being treated as antique medical supplies, they have become "extraordinary art objects," says Robert McCarter, a professor of architecture at Washington University in St. Louis and the author of a recent book about Breuer. "I have a friend who has one, and I'm quite jealous."

FROM TOP: PATKAU ARCHITECTS; VICTORIA AND ALBERT MUSEUM, LONDON

MASTERPIECE: 'THE CRANBERRY HARVEST, ISLAND OF NANTUCKET' (1880), BY EASTMAN JOHNSON

A PAEAN TO RUSTICITY AND AGRARIAN LIFE

BY ROBERT L. PINCUS

IN 1880, when Eastman Johnson completed what is arguably his greatest painting, "The Cranberry Harvest, Island of Nantucket," he was already one of the best-known American artists of his era. His renown hinged on paintings that told stories. This one was less concerned with narrative: The people in the picture were simply gathering a favorite local fruit. And while work is work, the painting presents it as a kind of pleasurable communal activity. The light falls on many of them, and what radiant light it is. Johnson was a master at evoking the way it slants across a scene, selecting people and objects and leaving others in lush shadows.

There are 40-plus figures in this painting, which is in the small but stellar permanent collection of the Timken Museum of Art in San Diego. The few detractors of this canvas, when it was first exhibited in New York at the National Academy of Design in 1880, thought their arrangement was too random. That isn't the case, but the structure is subtle. The central standing figure, a woman with illuminated bonnet, is echoed by other vertical forms: a crude sign at the far left that contains the word "cranberry" and a child at the far right. The figures, as an ensemble, form loose diagonals that lure the eye into the distance; there, a church steeple, a windmill and a lighthouse (additional horizontals) ultimately carry us to the town and bay. (Johnson thought the windmill was such an important emblem of Nantucket's colonial past that he moved it from another spot on the island into this vista.)

Few paintings, in the 19th or any other century, blend figure and landscape as well as this one. Thomas Eakins and Winslow Homer were greater American realists, but "The Cranberry Harvest" compares favorably to their best paintings.

FEW PAINTINGS, in the 19th or any century, blend figure and landscape as well as this one.

"The Cranberry Harvest" is a paean to rusticity and agrarian life at a time when the U.S. was industrializing at a dizzying pace and when wealth was being amassed at an equal clip. You wouldn't know it, looking at this painting, but anxiety about the future of America was high. Mark Twain and Charles Dudley Warner famously dubbed this period the Gilded Age, in their novel by the same name, for the precipitous increase in wealth and rising political corruption they witnessed in the 1870s.

A beautifully realized vision of community.

These social realities only made the painting appealing to Eastman's contemporaries. But more crucially, for its longer life as a painting, the image he ultimately created, which was the outgrowth of several studies, is one of the most beautifully realized and compelling visions of community life in art history. Not because Johnson is making a visual statement, as in his famous Civil War era picture "The Wounded Drummer Boy," which extolled the heroism of the Union cause. Quite the contrary. In "The Cranberry Harvest" he isn't preaching the virtues of an agricultural life; he is simply presenting people going about their seasonal ritual of harvesting cranberries.

Johnson, who spent part of each year on Nantucket, lingered longer than usual in 1880 before returning to New York. He surely thought he was onto something with "The Cranberry Harvest." "I am staying here to get through with things begun," he wrote to his friend and fellow painter Jervis McEntee on Dec. 13, 1879, "... the models are here and whatever material I require, and that is all there is of the pictures, so I can't do them elsewhere."

He had always had a dazzling command of the figure, going back to the 1850s. But when Johnson turned his attention to paintings populated by multiple figures, he invariably created a tidy narrative for them, whether it be Bible reading, riding the stagecoach or a domestic moment. These paintings, though beautifully executed, feel tightly controlled by their stories and bound to their historical moment. Not so "The Cranberry Harvest." It depicts a moment in time, as if frozen in place; in the process he makes that moment feel larger than life, a poetic distillation of it.

This conceit of a frozen moment needs for the figures to look utterly natural, and they do. And the subject of the picture is humble, its sweep impressive. The effect is akin to a symphony in which the melody is richly textured with orchestration. And as with a symphony, in which you listen repeatedly and find different details, many viewings of the picture reveal different facets. At the far left are children in conversation about something off stage. At center is a man who has brought a chair with him, working at a leisurely pace. At the far right, people load the harvest into a wagon.

The two great qualities in Johnson's art—his mastery of figure and light—coupled with his gift for landscape painting, found their meeting ground in "The Cranberry Harvest," yielding a panorama that depicts people in harmony with nature. Nineteenth-century thought and aesthetics were animated by a search for this harmony, and Johnson found a way to present it profoundly but unpretentiously.

Mr. Pincus is the author of "On a Scale That Competes With the World: The Art of Edward and Nancy Reddin Kienholz" (California).

THE PUTNAM FOUNDATION, TIMKEN MUSEUM OF ART / BRIDGEMAN IMAGES

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You call *that* an orthopedic shoe? (Actually, we do) **D4**

OFF DUTY

Attention, collectors: It's a grand, really, really, really old flag **D9**

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Make a SPLASH

You needn't be an expert swimmer to master water sports. With the right gear, sailing, surfing, paddling or even idle bobbing is easier than ever

FOR MANY OF US, aquatic education ceases somewhere around age 10—about the time we're proficient enough to pass the deep-end swim test. Sure, a few eventually go on to approximate the always-showy butterfly stroke or execute a swannish dive, but most Americans are stuck with the aquatic aptitude of a grade schooler.

Unfortunately, that arrested development holds a lot of us back, convincing us that the full breadth of summer water sports is beyond our reach. We'll drift aimlessly in a stable-feeling paddle boat from time to time, but when it comes to undertaking more adventurous activities in a lake or ocean, we quietly hang back, resigned to let the confident water jocks hog all the joy.

The good news is you don't need to be a human otter to get in on the action. From kayaks that are nearly capsize-proof to surfboards that make getting up and gliding a lot less challenging, a slew of new game-changing gear and techniques is lowering the barrier to entry. Here, a guide to the equipment every merely average swimmer needs to know about. All that's required is a willingness to dive right in.

TURN TO PAGE D2 FOR A ROUND-UP

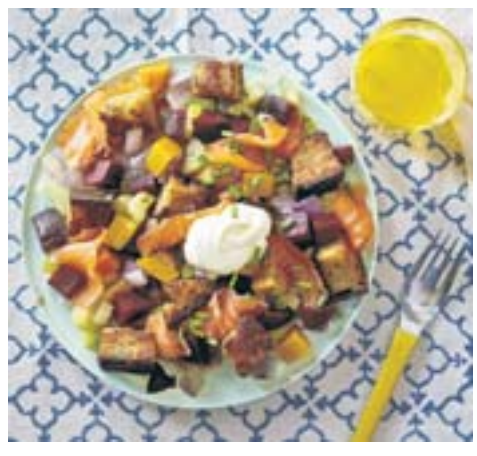
STEVE SCOTT

[INSIDE]

A SWILL TIME WAS HAD BY ALL
An insider's travel guide to Bordeaux, the French wine capital **D5**

THE FINALE OF STRETCH?
As the trend for Lycra-boosted denim fades, jeans return to their roots **D4**

PITCHER THIS
Entertaining outdoors? Try this grapefruit-inflected riff on the Aperol Spritz **D8**



DIGGING GRAVLAX
Our two favorite ways to serve up cured salmon for breakfast **D8**

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JUST ADD LOTS OF WATER

Can't Surf? Maybe Your Board Is to Blame

Watching an experienced surfer glide effortlessly across the face of a wave can be as intimidating as it is inspiring. If you've tried surfing only to quickly admit defeat, the issue might not be your lack of balance but your surfboard. Unless beginners have the right kind, they're basically setting themselves up for a big ol' wipeout.

Among the most common newbie mistakes is opting for a short, pointy, hard-fiberglass surfboard, the kind favored by experienced riders. What you need is a buoyant soft-top longboard. After years of testing, we favor the Boardworks Froth! 9-foot softboard. At 3¼ inches thick and 23½ inches wide, the Froth! provides a very stable, confidence-inspiring platform.

While a cheaper softboard from a big box store (like the ubiquitous $150 Wavestorm sold at Costco) might tempt you, the superior Froth! makes learning to surf easier and more fun. Cheaper "foamies" tend to be too flexible and can absorb water over time, making them heavy and floppy.

The Froth! does things right. Its solid EPS foam core is covered in epoxy resin and buttressed with wood stringers for stiffness. Durable rubber that's soft yet grippy encases the rails and top deck. And unlike other softboards, this model's deck allows for traction without the need for sticky surf wax, which gets messy and can irritate bare skin on your thighs, stomach and chest—especially when it's caked with sand (think: 80-grit sandpaper).

A slick skin on the bottom of the board ensures decent speed, while three rubberized fins provide good maneuverability without being sharp and hard, like those found on conventional surfboards. Those flexible fins, along with the board's soft, rubbery exterior, mean you're less likely to get injured by the board as you learn to shred the waves. *From $225, boardworkssurf.com*

—Mark Anders

Set Sail Without Getting Scuttled

Don't let sailing's notoriously steep learning curve keep you landlocked. Last year, Austria-based X-Cat released the Multi-Sport Catamaran, which offers exceptional stability (its two hulls are more stable than one), but unlike many easy-to-manage small boats, it doesn't compromise speed or excitement.

Thanks to its near-indestructible hulls, which are filled with buoyant closed-cell polypropylene foam, and a diminutive 14-foot-9-inch mast (short, even for a beginner boat), the X-Cat is very forgiving, easy to maneuver and difficult to capsize. And if the wind dies down (or if you're simply not yet adept enough to harness it), you can just furl the sails and start rowing, using X-Cat's double-jointed oars. If even that sounds too taxing, simply engage the lithium battery-powered motor (a $2,265 upgrade).

The X-Cat also eliminates the need for a boat trailer or launch ramp: Weighing just 120 pounds, the cat can be transported atop your car, assembled in 10 minutes and launched from the shore. *$7,700, plus $2,700 for the rowing system, x-cat.com*

—Brigid Mander

Paddle Like a Pro

If you're new to recreational boating, a kayak makes for a sensible starter vessel. It's relatively affordable, easy to paddle and sufficiently light and compact that one person can carry and stow it himself. Yet for many beginners, a kayak can feel disconcertingly wobbly.

You have to work pretty hard, though, to flip Perception's recently released Hi Life. Seriously. Whether you're buffeted by a wave or you decide to lean all the way over to one side to view the fishes, the Hi Life will keep you upright.

The stability results from the kayak's broad, long shape (roughly 11-by-3 feet) as well as all the empty volume inside its shell, which provides exceptional buoyancy. A small rudderlike fin—an unusual feature for a kayak—helps the vessel track forward smoothly as you paddle.

The Hi Life has an open-deck design: The padded seat, with a back that flips down flat, keeps you elevated well above the waterline (most kayaks sit you below it). Although this positioning may leave you with wet feet, the open deck means you can also use the Hi-Life as a stand-up paddle board.

Despite its compactness, the Hi-Life crams in amenities, like a spot under the seat to stash drinks, and a long, narrow compartment that runs down the center of the vessel to hold your fishing pole or camera mount. A small rear platform can serve as a swim deck kids can use to pull themselves out of the water—or as a perch for a water-loving but capsize-phobic pooch. *$799, perceptionkayaks.com*

—B.M.

Swim Without the Struggle

Despite being a member of the swim team when I was young, I've never found the act of swimming itself much fun. Frolicking in the surf is one thing, but having to get from point A to point B usually entailed inefficiently windmilling my arms, gasping for breath, wondering why swimming had to be so damn hard.

Well, it doesn't—as I discovered a few years ago when I learned a technique called Total Immersion (TI). Developed in the 1970s by American swimming coach Terry Laughlin (who teaches it with his wife, Alice, at a swim studio in New Paltz, N.Y.), TI has something of a cult following among amateur triathletes because it allows you to swim long distances with relative ease. The method is equally helpful if you just want to reach the floating dock where all the fun seems to be happening without your lungs burning.

I'd always thought that the key to becoming a better swimmer was simply to work harder: Kick faster, reach farther with each stroke, breathe with more precision. But unlike traditional freestyle techniques, TI looks downright lazy. The kicks are super-slow, and the arm movements feel so relaxed it's as though you're just dropping your hand into the water. The body roll gives you as much time as you want to breathe. The approach feels weird at first, but it's also highly efficient. Once I got the hang of it, I could bang out lap after lap.

You can teach yourself Total Immersion with books and online videos, but you'll grasp it faster if you attend a weekend workshop. Offered by certified instructors around the country, these classes can transform the way you swim in a couple of days. The lessons are a worthwhile investment for those who haven't taken a swim class since they were 12—or who suspect that swimming is tougher than it needs to be. *DVD, $25; see totalimmersion.net to find a workshop near you.*

—Sara Clemence

Skimboarding: For Those Too Chicken to Surf

As far as crazy-fun summer sports go, skimboarding is about as beginner-friendly as it gets. While it might lack surfing's thrills and glamour, you need little more than an inexpensive board and a pair of passably stylish shorts to give it a try. Getting the hang of it takes an afternoon or two.

Unlike surfing, which requires you to venture out into the ocean, skimboarding goes down on shore, in shallow water. There's not a lot to the sport. Just toss your board in front of you and jump on.

There's no need to spend a small fortune on your board, either. Tom Grenfell, a longtime employee of Cleanline Surf shops in Cannon Beach and Seaside, Ore., recommends the DB Standard Proto (*dbskimboards.com, $190*), which has foam on the surface to provide traction, so you never have to wax it. Waxing, he explained, is a huge hassle. "If you get any sand on that wax, it's gonna stick to that wax and you're gonna have to clean it up a lot."

Once you master skimboarding, you'll be able to glide gracefully along the shore for hours. As a kid, I used to go up and down the Oregon Coast, spending a good part of the day trying to skim my way to Haystack Rock.

To be sure, there's no glory in being a skilled skimboarder—especially as an adult. It's kind of like an adult riding a scooter. At one time in my life, I was more self-conscious about hopping on a skimboard than I was revealing the gut I'd acquired fighting in the Craft-Beer Revolution.

But all that changed a few years ago when I interviewed Jack Johnson—the Hawaii-raised surfer turned Grammy-nominated songwriter. I couldn't help asking: Should adults be ashamed to skim? "I skimboard to this day," he told me. "The more you can be in the ocean the better. Skimming is cool. I don't care what they say."

Look, if Jack Johnson says it's cool for me to ride my skimboard with pride, that's good enough for me. And I hope it's enough to get you on the water, too.

—Chris Kornelis

SLAM-DUNK GADGETS // THREE WATERPROOF GIZMOS TO PERCH PRECARIOUSLY ON YOUR POOL FLOAT OR THE BOW OF YOUR CANOE

SHOOT MORE STEADILY

Sony FDR-X3000R

This video camera fits in the palm of your hand, but don't let its cute proportions fool you. There's enough tech packed into this sleek gadget to help you capture superlative footage in 4K—even if you've got one hand on a tiller. What sets the FDR-X3000R apart from the competition is the steadying technology inside, called Balanced Optical SteadyShot, which brings an unusual degree of image stability to action shots that would otherwise be shaky and choppy. Slide it into the clear plastic housing it comes with (shown) to make it waterproof up to 197 feet. *From $350, sony.com*

READ WITH ABANDON

Kobo Aura H2O Edition 2

Summer can be cruel to books. Humidity curls their pages; an accidental dip in the pool will literally brick them. So thank goodness for waterproof e-readers. Kobo's first-gen Aura H2O reader was waterproof but required that you seal its ports with tiny rubber gaskets. This recent upgrade can be fully submerged in up to 6.5 feet of water, no port-covers required. As evening approaches, it will also gradually reduce the amount of blue light it emits so it won't mess with your circadian rhythms while you read "20,000 Leagues Under the Sea" into the wee hours of the night. *$180, us.kobobooks.com*

ROCK OUT ON A RIVER

JBL Charge 3

Looking for a compact, portable summertime sound system that won't drown? The Charge 3 can handle more than collateral splashing from an overzealous cannonballer. This IPX 7-rated device can be fully submerged in 3 feet of water for up to 30 minutes. And should it happen to fall in the drink, the speaker will conveniently float back to the surface while awaiting rescue. It's available in electric-blue, red or teal (all well suited for hopping pool parties)—or classic black to best accompany moody summer storms. *$150, jbl.com* ***—Lane Florsheim***

F. MARTIN RAMIN/THE WALL STREET JOURNAL (CAMERA, E-READER, SPEAKER); GETTY IMAGES (SKIMBOARD)

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THE ONE SHEET

Neckties are coming back, jeans are getting wider and maybe, just maybe, the manbag will finally have its day. From London to Milan to Paris, the men's spring 2018 fashion shows unleashed a flood of trends. Here, the looks mostly likely to trickle down to your closet

A Mighty Windbreaker

The average catwalk isn't long enough for a 100-yard dash, but that didn't stop designers from trotting out the athletic windbreaker, in all of its techy, color-blocked glory. As high-end runways dictate, though, the aesthetic behind these sporty numbers skewed more sky-box-luxe than locker-room-ratty. Fendi's version featured a buttery suede upper. Hermès extended its windbreaker into something resembling a breezy, knee-length topcoat, while Valentino popped blue-leather and pink-nylon panels onto its entry. Best of all: None carries that tube-sock stink. *From left: Fendi, Valentino, Hermès, Kenzo and Balenciaga*

Lei-surely

To the world, it's a Hawaiian shirt, but let's call it what it really is: The "I'm at Home Depot running errands, but I really wish I was at the Copacabana" shirt. This year, plenty of transporting tropical tops walked the runways. Ami's bold lei motif would have made Don Ho blush, and Louis Vuitton's logofied number drew from surf styles of the 1990s. Meanwhile, Paul Smith and newcomer SSS World Corp took a subdued (read: suburbia-appropriate) route in black. *From left: AMI, Louis Vuitton, Paul Smith and SSS World Corp*

Front of The Line

"Beetlejuice," be damned: Designers argued a case for the striped suit this season. Versace and Comme des Garçons Homme Plus made what might seem garish palatable by sticking to stripes in cohesive shades of gray or a set of jewel tones. Even Marni's candy-striped suit, an outré idea on paper, seemed relatively reasonable thanks to a palette of colors from the aqua family. A striped suit certainly isn't for everyone, but no longer is it *just* for Tim Burton fans on Halloween. *From left: Marni, Versace and Comme des Garçons Homme Plus*

Indigo Wide

Leg liberation was a recurring theme at the shows: truncated shorts, king-size chinos and, most welcome of all, non-constricting jeans. Designers mercifully moved away from corset-tight cuts toward generously wide, low-rise jeans. Sound like something you'd find by the truck load at a thrift store? Not quite. As J.W. Anderson and Russia's Gosha Rubchinskiy demonstrated, a solid wash and a slightly cropped length make the difference between appealingly loose and '90s raver-frumpy. *From left: Gosha Rubchinskiy, J.W.Anderson, Junya Watanabe and Sunnei*

Father Shows Best

Though Paris Fashion Week is usually a mess of flashbulbs and blaring soundtracks, this one began peacefully enough with a walk in the park: Wednesday morning's Balenciaga show in which models took a stroll through the Bois de Boulogne. Designer Demna Gvasalia underscored the ordinary vibe by clothing them in everyman blazers and even having a few carry children in their arms. To a casual onlooker, the models could have been any old dads, walking their kids to school. That is, if said onlooker ignored the rows of editors and photographers.

Stick Your Neck Out

Enough with the unadorned collars: The tie is back in the loop. Dries Van Noten ventured tentatively into more formal territory, showing a salmon-on-salmon tie-shirt pairing in which the neckwear went almost incognito. Wooyoungmi took a similarly safe route with a tie in a tasteful, tone-on-tone gray pattern. But there was also good news for dandies tired of fighting their way through cobwebs in little-frequented tie departments: Marni and Fendi's bold deco neckwear may just revive interest in knotty expressionism. *From left: Fendi, Marni, Dries Van Noten, Wooyoungmi and Giorgio Armani*

A Lot of Baggage

Manbag. It's a term so polarizing that the mere mention may scare some of you off. But if you're a betting fellow, take note: For better or worse, this may be the year that the historically ridiculed manbag breaks through. It's not just that trusted, influential labels like Louis Vuitton and Valentino are embracing the keep-anything-at-hand ease of a shoulder bag (something that women have long understood), but it's also that their utilitarian, boxy bags would never be mistaken for a lady's dainty clutch. For guys who just get past the stigma of "manbag," allow us to recommend a new term: micro messenger. *From left: Valentino, Lanvin and Louis Vuitton*

Marsha! Marsha! Marsha!

We may be living in the golden age of TV, but based on the colors of the latest tailoring, menswear's brightest have been bingeing on "Brady Bunch" reruns. From Prada's dusty rose to Officine Générale's pea-soup green, suit and sportcoat hues were as '70s as feathered hair and a glass full of Tang. Retro colors? Yes. Retro cuts? Not quite. Trim is still in, so have no fear: Flared leisure suits aren't coming back just yet. *From left: Prada, Dries Van Noten, Ralph Lauren, Officine Générale and Ermenegildo Zegna*

LUDWIG BONNET (LOUIS VUITTON); BILLY FARRELL AGENCY (SSS WORLD CORP); GIOVANNI GIANNONI (SUNNEI)

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Truer Blues

As the backlash to skinny stretch-jeans grows, women are rediscovering the more authentic joys of 100% cotton denim

BY NANCY MACDONELL

FOR MORE THAN a decade now, well past the lifespan allotted most trends, skinny jeans have dominated denim sales. Many women consider them the closest thing to an infallible garment the 21st century has yet produced. Skinnies owe their existence and money-grabbing allure to elastane, also known as Lycra, the stretchy synthetic fiber that allows for figure-sculpting cuts that Mr. Levi Strauss could never have imagined. But skinnies may have reached their snapping point: 100% cotton denim—known in the industry as "rigid"—is in the midst of a comeback.

Consider this: Brands that staked their reputations on an ability to craft jeans that cradled the derrière and calves like a girdle, including Frame, Citizens of Humanity, and Current/Elliott, have all begun offering pure-cotton styles. One of the current exemplars of rigid denim is New York label Brock Collection's Wright jean (seen below). The brand reports a high, over 80% sell-through rate for the style at Barneys New York. Even Gap, always a reliable barometer of trend saturation, has returned to its roots with jeans completely free of Lycra.

"I feel old and not cool now when I wear my skinnies," said Amy Leverton, 37, author of the 2015 book "Denim Dudes," about indigo-loving guys ("Denim Dudettes" is due out next year).

The stretch backlash gained momentum in 2015 when streetwear label Vetements, designed by Demna Gvasalia, repurposed vintage Levi's, said Barneysfashion director Marina Larroudé. "Fashion insiders were getting old 501s tailored for a long time, but Gvasalia brought [reworked Levi's] to a wider audience," she said. Despite a four-figure price tag, Vetements' pure cotton jeans—pieced together from various vintage pairs—were a hit.

Although stretch denim first appeared in the 1970s, said designer Chloe Lonsdale, founder of M.i.h Jeans, it wasn't until the early aughts that it became the industry standard. Ms. Lonsdale, whose father owned Jean Machine, a seminal London denim boutique, sees the return to rigid as a quest for authenticity: "That classic jean aesthetic, that Lauren Hutton feeling, you don't get that in a skinny jean that hugs your ankles."

Those making the switch should keep a few things in mind. The cut of vintage denim doesn't always work for modern sensibilities; older jeans will likely require alterations. When it comes to new iterations, Ms. Larroudé recommends a slim straight-leg style with a mid- or high-rise, like Calvin Klein's fresh take on its original nothing-comes-between-me-and-my-Calvins jeans.

While rigid jeans eventually excel at comfort, be prepared for an initial struggle, said Ms. Lonsdale, who grew up hearing stories of customers lying on the floor of her father's shop while a salesperson pulled up their zippers with a clothes hanger. But the jeans will, in time, ease up and mold to your body. More important, that fit, unlike that of stretch denim—which eventually loses shape—will stay. The beauty of rigid jeans is that they last for decades. "It's like leather. It's tough. So it's going to age beautifully," said Erik Torstensson, co-founder of denim brand Frame. The indigo dye eventually gets scraped away from the cotton fiber over time. "You get that beautiful fading as you wear them," said M.i.h's Ms. Lonsdale. And should you decide to let down their hem or chop your rigid jeans into cutoffs, they'll play along by fraying beautifully. Stretch fibers snap and break.

For those loath to relinquish stretch entirely, denim brands are making styles with as little stretch as possible. M.i.h recently launched a style called Cult that uses denim with stretch only in the warp fibers and not in the weft. That means that they give lengthwise—which makes sitting easier—but not crosswise, avoiding the telltale bagging at the knees that even the best stretch jeans eventually exhibit.

And remember: Denim is not a zero-sum game. "On a long flight, I'm not going to wear rigid jeans," said Ms. Leverton. "When I want to look cool, I will."

HAVE A GOOD FRAY Unlike stretch versions, jeans made of 100% cotton, such as these 501s on Danish model Ulrikke Hoyer, can be cut off with stylish results.

GETTY IMAGES (HOYER); F. MARTIN RAMIN/THE WALL STREET JOURNAL, STYLING BY ANNE CARDENAS (JEANS)

THE ALLURE OF PURE // FIVE MODERN STYLES OF SO-CALLED 'RIGID' JEANS, MADE WITHOUT A WHISPER OF STRETCH

Dior
$850, Dior, 212-931-2950

Frame
$245, frame-store.com

Brock Collection
$475, barneys.com

Junya Watanabe
$410, Comme des Garçons, 212-604-9200

Gap
$80, gap.com

POINTS OF DISTINCTION

F. MARTIN RAMIN/THE WALL STREET JOURNAL

SHHH! MY SANDALS HAVE A SECRET

Created by an ex-podiatrist with a rare eye for elegance, these strappy heels prove that genuine comfort can look refined. Here's what supports their hidden agenda

BY REBECCA MALINSKY

MARION PARKE does not want people to call her shoes comfortable. So apologies in advance, but having personally tried them, I can attest that they redefine comfort. It's hard to forget about the hidden cushiness of her Italian-made heels once you've experienced it.

Dr. Parke, an ex-podiatrist who launched a line of footwear last year, stresses that she aimed to avoid the classic orthopedic look: "The insole is not brown or orange with perforated holes."

Still, she called on her medical training to banish the pain that chic shoes often cause. She developed a last—the technical term for the mold around which a shoe is created—that provides extra support to the arch of the foot. "It gives more surface contact between the bottom of your foot and the shoe," she explained. It also distributes weight more evenly to reduce pressure on the ball of your foot. Inside the sole is a thin medical-grade foam called P-cell—used, among other things, to line prosthetics—that molds to feet over time.

The solid block heels are 60 millimeters (just over 2¼-inches high). Dr. Parke settled on a sensibly chic mid-height based on aesthetics. Another aesthetic decision: the dainty width of the straps. They are, however, strategically placed to avoid friction with the ankle bone or anywhere else.

One potential irritant: all those buckles that need to be fastened and unfastened. Adjustable straps help the shoe better fit women with high arches, Dr. Parke said, adding, "Zippers would detract from the delicacy. I understand we all live a fast-paced life, but slow down and take a minute to buckle your shoe." Sandals, *$625, marionparke.com*

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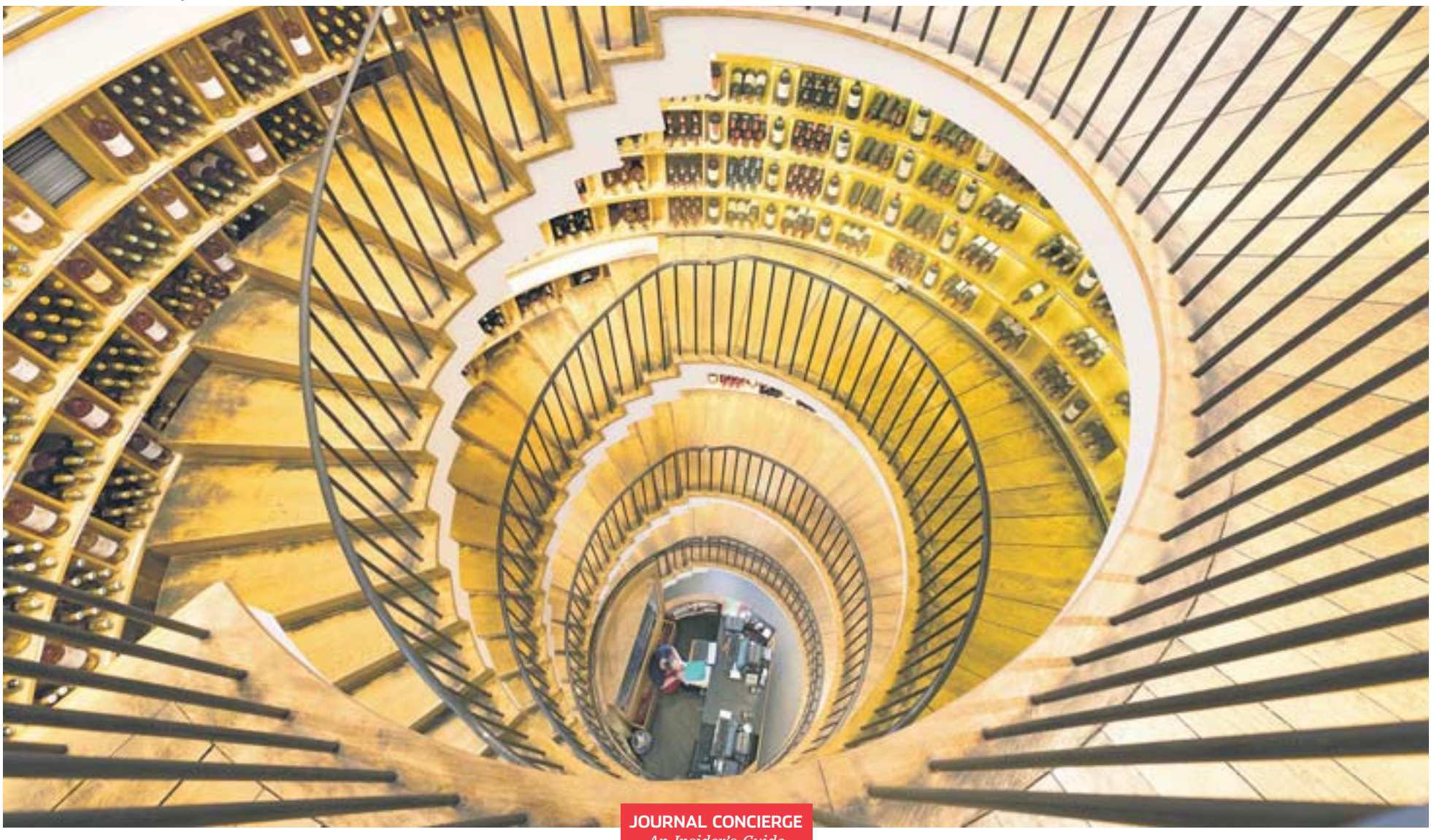
1. L'Intendant wine shop



JOURNAL CONCIERGE
An Insider's Guide

Bordeaux

How to make every slurp, every sight count in France's wine capital? Follow the lead of these local bon vivants

SPRAWLING VINEYARDS, cavernous wine cellars, formal, interminable meals—that's Bordeaux, right? Yes, but that's only half the bottle. France's fifth largest city, the riverside port of Bordeaux rivals Paris when it comes to historical monuments. Among the most notable head-turners: the 15th-century Porte Cailhau, a turreted gate that marks an entrance to the old city, and the imposing Place de la Bourse, built by Louis XV's architect and livened up considerably with the 2006 addition of the Miroir d'eau (water mirror), a 37,000-square-foot reflecting pool that turns into a spritzing fountain every summer. The city's newest architectural standout, the year-old La Cité du Vin, is a high-tech wine museum, whose bulbous, gold exterior mimics a glass in mid-swish. At the bistros and bars in the quaint Saint Pierre and Chartrons districts, it's all about boundary-pushing cuisine and craft cocktails. What's more, the sea is only a half-hour away, and starting this month, the train trip from Paris will clock in at just over two hours, making it even easier to build a few days in Bordeaux into a trip to the capital. Here's how to spend them. *—Sara Lieberman*

6. Musée des Arts Décoratifs et du Design

2. La Canfouine au Canon

5. Cheese at Marché des Chartrons

4. Le Jardin Public

3. Le Magasin Général at Darwin Ecosystem

GABRIEL GUIBERT FOR THE WALL STREET JOURNAL

THE EPICURE
Frédéric Vigouroux
Chef and owner at Le Bouchon Bordelais

CAKE BOSS // La Toque Cuivrée This bakery specializes in canelé, a small vanilla cake with a touch of rum flavor and a caramelized crust. It's been a Bordeaux specialty since the 17th century. *18 cours du Général de Gaulle, la-toque-cuivree.fr*

BOTTLE UP // L'Intendant [1] I really fancy this wine store in downtown Bordeaux with an amazing 40-foot-high spiral staircase. The store keeps 15,000 bottles of the best Bordeaux grand cru wines and the staff are very welcoming. *2 allée de Tourny, intendant.com*

SIPS & DIPS // Aux Quatre Coins du Vins At this old-quarter wine bar a team of young sommeliers offers a large choice of wine from Bordeaux and all over France, and great appetizers. *8 rue de la Devis, aux4coinsduvin.com*

OCEANIC ORDERS // La Canfouine au Canon [2] This lovely oyster and seafood restaurant on the sea is heaven, only 45 minutes from Bordeaux. *75 rue Sainte-Catherine, Lège-Cap-Ferret*

THE DESIGNER
Joanne De Lepinay
Interior decorator of homes, restaurants and boutiques

MARKET WATCH // Passage Saint Michel I love to stroll this flea market to find vintage pieces of furniture for my projects. *14 Place Canteloup*

FRY DADDY // La Tupina For a cozy atmosphere and traditional regional cuisine, this is the place you need to go—especially for the french fries cooked in duck fat. *6 rue Porte de la Monnaie, latupina.com*

SHOW STOPPER // CAPC Museum of Contemporary Art Bordeaux's Museum of Contemporary Art has an amazing permanent collection. It's a must-see, if not for one of the exhibitions, then for lunch on the restaurant terrace. *7 rue Ferrere, capc-bordeaux.fr*

A LA MODE // Espaces Here you can find all the best luxury clothing brands with a boudoir spirit, such as Céline, Chloé, Saint Laurent. Martine, the owner, is the best adviser when talking about fashion. *39 cours Georges Clemenceau, boutique-espaces.com*

THE CHOCOLATIER
Thierry Lalet
Fourth-generation artisan at chocolate shop Saunior

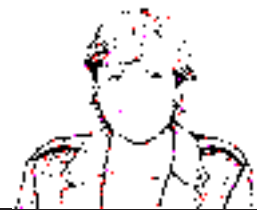
LIVING MEMORY // Musée des Arts Décoratifs et du Design [6] It's a little museum in an old house where you can see how a rich Bordeaux family lived in the 18th and 19th centuries. *39 rue Bouffard, madd-bordeaux.fr*

NOSH HOUR // Marché des Capucins Les Capus is an outside market with a bakery, butcher, cheese—everything. Arrive early, at 7, and you'll see people starting the day with a coffee and croissant and others finishing the day outside of the disco with a whiskey. *marchedescapucins.com*

HAPPY MEAL // Garopapilles Tanguy Laviale serves really fresh and simple food in perfect harmony in a small, casual place, with maybe 20 seats. *62 rue Abbé de l'épée, garopapilles.com*

AMUSEMENT PARK // Le Jardin Public [4] This is a garden for people who live in the center of Bordeaux. On Sundays, they arrive in swimsuits and stay on the grass all day. You can come to read, to play le foot or rugby, to eat lunch. *Rue de la Course and Cours de Verdun, bordeaux.fr*

THE WINE EXPERT
Sylvie Cazes
President of the Cité du Vin Cultural Center and Museum



UNION SQUARE // Place du Chapelet On this hidden 18th-century square in the center of the city are the Notre Dame church, the old library and a statue, one the best pieces of art we have in Bordeaux. *1 Place du Chapelet*

RAW INGREDIENTS // Marché des Chartrons [5] Every Sunday on the riverfront, we get beautiful product from the whole area of Bordeaux: great vegetables, meat and seafood. We have an aperitif and some oysters, then go back home and cook a Sunday lunch. *Quai des Chartrons*

STAGE CRAFT // Trianon Theater This small, renovated 20th-century theater is incredible. They put so much energy into renewing it and offer terrific programming. *rue Franklin, theatre-letrianon.com*

SHOP AROUND // Centre Commercial Les Grands Hommes This shopping area, in a beautiful round structure, has high-quality shops for things like linen and ceramic plates. *12 place des Grands Hommes, lesgrandshommes.com*

PLUS DON'T MISS... Casa Blanca B&B This 200-year-old townhouse consists of five spacious guest rooms, each with a fireplace and floor-to-ceiling French windows. *39 rue de la Course*, casablanca-bordeaux.com **// Symbiose** At this speakeasy opened by two alums from Paris's famed Experimental Cocktail Club, try the Smoky Suzy cocktail, made with Cognac, Champagne and fresh mint, *4 quai des Chartrons, facebook.com/symbiosebordeaux* **// La Cité du Vin** The top-floor tasting room at the city's new wine museum grants a panoramic view of the city over the Garonne River. *134-150 quai de Bacalan, laciteduvin.com* **// Darwin Ecosystem [3]** Cross the river to explore this "renovated urban wasteland," filled with restaurants, an organic garden, a roller-derby rink and an outdoor general store. *87 quai des Queyries, darwin.camp*

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A Getaway With Staying Power

Don't be surprised if you go to southern Vermont for a rustic weekend escape and wind up buying your own farmhouse

BY VALERIE STIVERS

MAP: JASON LEE; EVA DEITCH FOR THE WALL STREET JOURNAL

FARM CHARM Clockwise from above: SoLo Farm & Table; SoLo's grilled halibut with countneck clams; riding at Mountain View Ranch. Below: leaping into the Dorset Quarry.

The area of south-central Vermont around Stratton Mountain is a rural landscape of white-clapboard farm houses and rolling hills forested with tall pines and silvery birches. Indisputably beautiful countryside, to be sure, but with poor cellphone coverage, stringent restrictions on development and the native Vermonters' inclination to keep a good thing to themselves, it hasn't exactly been on the jet-set's radar.

That's largely what compelled me and my husband to buy a weekend house there in 2014—a spontaneous indulgence in that clichéd real estate fantasy of "getting away from it all." We were eager to flee our Brooklyn home on winter weekends and take advantage of Stratton's ski slopes, a 4½-hour drive north of New York. Little did we know that our pokey winter retreat would morph into a stealthily fashionable destination where foodie restaurants are slowly supplanting diners with sticky booths and stylish hotels edging out doily-infested B&Bs. Increasingly, the area has enough going on to make it an attractive summer spot too.

In 2011, New England's first private-club ski resort, the Hermitage Club at Haystack Mountain, opened outside the town of Wilmington; in 2015, it completed a 90,000-foot post-and-beam lodge. Mercedes-Benz buses whisking its guests to the mountain from the nearby small airport have become a common sight on the country roads. Nonmembers are welcome to stay at the club's six inns—all renovated historic properties scattered around Wilmington and adjacent town Dover—enjoying nearly full access to the ski facilities in winter and swimming and boating amenities on the club's lake come summer.

In late 2015, the Kimpton hotel group opened the Taconic, its first Vermont property, in the historic village of Manchester. With a firepit on the big front porch, the inn puts a local twist on the boutique-hotel model. Bigger changes are afoot too: Aspen Skiing Co. is currently executing a deal to buy the company that owns Stratton and other resorts, which observers say would usher in more high-end development. "Aspen's acquisition of Stratton means there's going to be a lot more happening here in a short period," said Meridith Dennes, a former investment banker from Manhattan who moved to the area full time in 2014. Ms. Dennes recently launched an online regional travel-guide, VisitStratton.com, to help newcomers keep up.

> Another culinary trend is the elevation of ye-olde-taverns.

Until recently, southern Vermont's summertime appeal revolved around its country pleasures: jumping 35 feet from a marble cliff into the Dorset Quarry; splashing beneath the waterfalls at Pike's Falls swimming hole; riding at Mountain View Ranch in Danby; or picking blueberries over by Emerald Lake State Park, at Wildwood Berry Farm.

But even the outdoor diversions are revving up. Every June, a dogged group of jocks clamber over 20 mud-covered obstacles during the Tough Mudder race on Mount Snow. Cyclists careen down Okemo Mountain, where the lifts can now carry bikes. Alpine slides zip down the face of Bromley Mountain, a small ski resort whose Bromley Fun Zone was a pioneer of mountain summer activities in the 1970s. Bromley's Aerial Adventure Park strings five courses of zip lines and obstacles through the treetops, at challenge-levels that range from child-friendly to adult-terrifying.

Weekenders not up for mud-covered obstacles or zip-lining can opt for small-town culture and style instead. Siblings Tim and Tyne Daly are on stage together for the first time at the Dorset Theatre Festival this season. The rambling Northshire Bookstore in Manchester hides a treehouse reading nook for children and a clothing section of flowing hippie caftans among the new, used and rare books. The Armani Outlet in Manchester offers Armani Black Label and Collection items for as low as 90% off (I have the fur coat to prove it). The only Marimekko outlet in America is down the street.

Traditionally, all this fun hasn't been matched with sophisticated places to stay and eat, but no longer. The region's first modern fine-dining option, SoLo Farm & Table, in the small town of Londonderry, about 20 minutes north of Stratton, opened in 2011. It was an act of madness or kismet by Chloe and Wesley Genovart, a young married couple who were both working in the restaurant industry in New York City, she as the maître d' at Manhattan's Per Se, and Wesley as the chef at cult-following tapas bar Degustation. On a trip to visit Ms. Genovart's parents in Manchester, the couple impulse-bought an 18th-century farmhouse at a foreclosure sale.

Now it's the kind of destination restaurant people plan their weekends around, with a seasonal menu sourced from nearby farms and enhanced by SoLo's own gardens. Last year, the couple debuted a second restaurant, Honeypie, on Route 30 just past the Stratton Access Road, turning a "rundown, nasty gas station" into an industrial-styled family place for burgers and sausage rolls, using high-quality, whole-animal ingredients. "It's a burger joint, but a badass burger joint," Ms. Genovart said.

The Downtown Grocery, a bit further north in Ludlow, is also a farm-to-table spot, and on a recent visit had a notably mixed crowd of old men in seersucker and young people with beards and tattoos. The Williamsville Eatery, established in 2014 by a father-son team in Williamsville, a white-clapboard small town, extols its farm-fresh ingredients, too, along with craft beers and small-batch wines in a dining room that was once the town's general store.

Another local culinary trend is the elevation of ye-olde-taverns, whose dank interiors and questionable attempts at modernization are legendary in this part of Vermont. At the White House Tavern, the restaurant at the Hermitage Club's graceful, century-old White House Inn in downtown Wilmington, diners dip fries into bone-marrow mayo and nibble on pigs ears from nearby Ephraim Farm. The Cask & Kiln Kitchen is also in Wilmington, but the dining room, with its exposed wood and filament lights, looks like it could be in Manhattan, as does the upstairs bar, known for its cocktails. The Taconic Hotel's Copper Grouse serves updated classics like cheddar-ale soup and cider-brined chicken in a room that quotes tavern style with wood paneling and cozy wallpaper. In the summers, you can dine al fresco on the hotel porch, another Vermont tradition.

The owners of the two-year-old Homestyle Hostel in Ludlow have done a hip update of a different traditional concept, this one the skiier-focused hostel, popular in Europe but uncommon in New England. Like their friends the Genovarts, Eliza Greene and boyfriend Justin Hyjek, were just visiting the area when they came across a deal they couldn't refuse on an 1832 doctor's residence with a horse stable on Ludlow's charming main street. Five months later, they opened the doors on clean and serene bunk-style lodging (some private rooms available) with a good restaurant. The couple recently bought the motel across the street, and plan to renovate and relaunch it in 2018 with a cocktail bar.

Even for visitors with no intention of opening businesses in the area, the allure of the country-house fantasy is strong and getting stronger. "Over the past three years I've seen a tremendous number of people buy and gut-renovate houses here," said Ms. Dennes. "You can still get a good deal but I don't know how much longer that's going to last." Longtime locals laugh at this. I have to laugh myself, since the farmhouse our family bought needed a new foundation and a new roof and certainly didn't feel like a bargain by the end. Still, these small towns and country lanes are so idyllic, you can't help but eye the "for sale" signs in yards as you pass by. These might be famous last words, but there's no harm in looking.

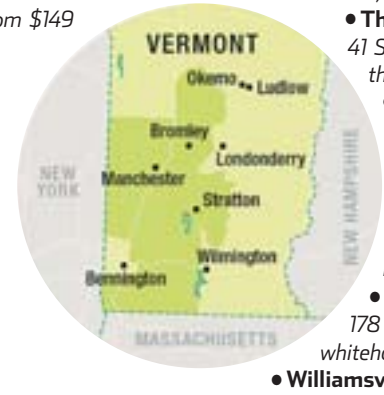
ADDRESS BOOK // WHERE TO SLEEP AND SUP IN SOUTHERN VERMONT

STAYING THERE

- **Kimpton Taconic Hotel**, *from $149 a night, taconichotel.com*
- **The Hermitage Club inns,** *from $140 a night; hermitageclub.com/lodging*
- **Homestyle Hostel**, *from $40 a night for bunk lodging; $80 for private rooms, homestylehostel.com*

EATING THERE

- **The Cask & Kiln Kitchen,** *4 North Main St, Wilmington, caskandkiln.com*
- **The Copper Grouse,** *3835 Main St, Manchester, coppergrouse.com*
- **The Downtown Grocery,** *41 South Depot St, Ludlow, thedowntowngrocery.com*
- **Honeypie,** *8811 Vermont Route 30, Jamaica, eatathoneypie.com*
- **SoLo Farm & Table,** *95 Middletown Rd, South Londonderry, solofarmandtable.com*
- **The White House Tavern,** *178 Route 9 East, Wilmington, whitehouseinn.com/dining*
- **Williamsville Eatery,** *26 Dover Rd, Williamsville, williamsvilleeatery.com*



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EATING & DRINKING

MESSAGE IN A BOTTLE NOVELIST MATTHEW KLAM ON NELSON'S FIRST 108 TENNESSEE WHISKEY

The Stories That Whiskey Unbottles

I'M PROBABLY NOT the only one, but since November I've been drinking more. To look forward to a drink at the end of another bizarre day is not a crime. So it seemed well timed when an editor at The Wall Street Journal sent me a bottle. Then I saw it was whiskey. For a long time I've thought whiskey tastes like old socks soaked in gasoline. I had an experience with Yukon Jack at a Ramones concert in 1982 and have kept whiskey at arm's length ever since.

This bottle of Nelson's First 108 Tennessee Whiskey from Nelson's Green Brier Distillery arrived along with an official history: Charles Nelson, age 15, set sail from Germany, together with his parents and siblings, for a new life in America. His father, John, had liquidated the family's candle- and soap-making business, converted his assets into gold and had the gold sewn into his clothing for easy transport. On the crossing, John fell overboard and drowned. The family arrived without a penny but somehow recovered. Young Charles later moved to Tennessee and became one of the largest manufacturers of whiskey in America. But the business went belly-up in 1909, following the passage of legislation prohibiting the manufacture of alcohol in Tennessee. A century later, Charles's great-great-great-grandsons, Andy and Charlie Nelson, revived the brand.

That told me very little about the whiskey itself—and as I've pointed out, my experience with whiskey had been extremely limited over the last 35 years—so I decided to share the bottle with someone who knows something about spirits. The guy who lives next door to me here in D.C. retired from his job at NASA at 48 and turned to woodworking. Some years later he was hired to build the interior of a tasting room for a hard-cider manufacturer in Middleburg, Va., with wood-paneled walls that rise to the copper ceiling. One day, he and the guy who owns the cidery decided to buy a still, pour cider into it and make apple brandy. Peter's been making booze there ever since. They call their cidery and distillery Mt. Defiance.

I bought my house from Peter, after he renovated it with his own hands. He built our kitchen using cherry he lathed in his basement and built our dining-room table from African mahogany. I'm somewhat awed that he left his first career to be a woodworker, then changed again to be a boozemaker. This kind of thing isn't for everyone, but Peter seems to know what he's doing. At NASA he helped design the International Space Station, planned shuttle missions and negotiated international agreements, including bringing Russia into the program. He studied aerospace engineering and knows chemistry, though apparently making booze isn't rocket science. You run experiments and taste things, and when those things taste good you figure out what you did right.

F. MARTIN RAMIN/THE WALL STREET JOURNAL, LETTERING BY ANGELA SOUTHERN

My neighbor's house is 18 feet away from mine. My wife and daughter and I can hear Peter and his wife, Peggy, on their back porch, almost every night, talking, chortling away—not what they say, but the tone. There's a sound we've grown used to over the years: Peter's big laugh, which peppers their dinners. Ho ho ho! It's not something I discuss with Peter, but it's a good sound in the evening. Sometimes I hear his laugh and think, "I'm maybe not as happy as I think I am." To me, this sound means that there are people who know how to let go of their worries at the end of the day.

Since Peter works most days at the distillery in Middleburg, I drove out there with the whiskey. The distillery used to be a BP gas station, and sunlight pours through walls of glass that were once garage doors. We sat in one of the old bays with the ease of friends who share a fence, exchange cat- and dog-sitting, and deal from time to time with tree maintenance and basement floods. Around us were a 10-foot-tall still made of wooden barrels, a copper still shaped like a genie's bottle, a bigger one shaped like a wizard's hat and a huge stainless-steel fermenter. The rafters were strung with drying herbs; the smell of hay, lemon balm and lavender hung in the air. On the desk sat a huge bag of corks, a scale to weigh ingredients, a hammer, a tape measure, a wirecutter.

For the sake of objectivity, we decided to compare the Nelson's First 108 to another fine, handcrafted whiskey, FEW Bourbon. We sniffed, swirled and rinsed between shots. Other employees of the cidery weighed in, agreeing that one had a better nose, the other a smoother, lighter finish. Or something. For my own part I'd say that, drunk straight, both whiskeys tasted like rat poison.

Then Peter mixed a batch of Manhattans using the First 108 in a Pyrex pitcher filled with ice, adding bitters, a slice of orange peel and Mt. Defiance sweet vermouth. He stirred it with the handle of a knife. Vermouth, I learned, is just wine fortified with honey and herbs—or, in the case of Peter's own recipe, grapefruit peel, bitter lemon, peppermint, lavender, hyssop, orris root, bitter orange peel and shiitake mushrooms. The shiitake, I was told, helped bring out the smokiness in the whiskey. The bitters were made in the "Creole style," whatever that means, using cinnamon, clove and star anise. I took the first sip, kept my mouth closed, and breathed out through my nose. All sorts of divine aromas and tastes registered. The drink was dusky, tangy and sweet.

We sat and blabbed about his booze business, and about our neighbors, and about the book I'm about to publish. I realized then that I'd been carrying around an almost unspeakable weight, one that seemed to undermine the modest, happy little life I lead next door to Peter. I'd been hired to write for a TV show in L.A. and was still trying to wrap my mind around going out there to live for six months.

"Alone?"

"Yes. I'll fly back when I can, which might be once a month." My daughter just turned 12. Peter knows me to be a fairly attentive father. I haven't missed many bedtimes.

He thought about it. Our relationship isn't the kind that normally traffics in this sort of material. "When I was a kid, my dad went to Vietnam for a year, and he had no way to communicate with us." He thought some more. I reminded myself that I'd be able to FaceTime, that going off to L.A. for a few months is not like going off to war. Peter said, "He mailed us tapes every few months and we all listened to them."

"Like cassette tapes?"

"No, reel-to-reel." I pictured his concentrated stare, watching the wheels of the reel-to-reel spin, as his father's voice came forth. We finished the pitcher, talking in a way we hadn't before.

Mr. Klam's novel "Who Is Rich?" will be published by Random House on July 4.

SLOW FOOD FAST SATISFYING AND SEASONAL FOOD IN ABOUT 30 MINUTES

Peperonata Salad With Chèvre and Country Ham

The Chef
Steven Satterfield

His Restaurant
Miller Union
in Atlanta, Ga.

What He's Known For
A deep affinity for vegetable cookery, from root to stem. Inventive dishes that seem timeless.

SOMETIMES the garnish comes first. Known for his way with vegetables, Steven Satterfield of Miller Union in Atlanta likes to start a salad with a schmear of goat cheese on the plate and then pile greens on top. "It's a bit of a chef-y trick, but it translates nicely to homes and looks impressive," he said.

In this recipe, Mr. Satterfield's first Slow Food Fast contribution, the cheese is seasoned with basil, black pepper and lemon zest. A mound of arugula and fresh basil goes on top, along with some tangy peperonata, the sweet-sour stew of red and yellow bell peppers cooked in olive oil. Boiled new potatoes and pieces of thinly sliced ham ring the plate.

Typically, peperonata calls for slow stewing, but here Mr. Satterfield streamlines the process so the peppers get just a quick fry in olive oil before steeping in a vinegar bath. A splash of vinegar goes into the water the potatoes simmer in, too. "A little acidity gives them zing and seasons them from the inside out," the chef said.

It's a fun dish to eat. Once you've scooped up the cheese with forkfuls of greens, there are plenty of other ways to construct delicious bites. "Take a potato, swoosh it around and pick up the juices," said Mr. Satterfield. You won't want to miss a bit. —*Kitty Greenwald*

TOTAL TIME: 35 minutes SERVES: 4-6

Kosher salt and freshly ground pepper
¾ cup cider vinegar
12 small new potatoes
½ cup plus 3 tablespoons olive oil
4 sweet bell peppers, stemmed, seeded and cut into strips or rings
6 ounces fresh goat cheese, at room temperature
Zest and juice of 1 lemon
1¼ cups roughly torn basil
8 thin slices country ham
5 ounces arugula

1. Fill a medium pot halfway with salted water and half the vinegar. Bring to a boil over high heat. Add potatoes and simmer until tender, 15-20 minutes. Drain potatoes and toss dry. When just cool enough to handle, break potatoes into rough, bite-size pieces and transfer to a medium bowl. Season with 3 tablespoons olive oil and salt and pepper to taste.
2. Meanwhile, in a second medium bowl, combine remaining vinegar with a generous pinch of salt. Heat remaining olive oil in a large skillet over medium heat. Add peppers and fry until soft, about 4 minutes. Transfer peppers to bowl with vinegar, reserving oil in pan. Once oil cools to warm, pour it over peppers.
3. In a small bowl, mix cheese with lemon zest and lots of black pepper. Spread cheese over a platter, leaving a 1-inch border all around. Scatter ¼ cup basil over cheese. Arrange potatoes around edge of platter. Tear ham into pieces and scatter over potatoes.
4. In a large bowl, combine arugula, remaining basil and lemon juice, and season lightly with salt. Drain pickled peppers and gently toss into salad. Mound salad over goat cheese.

AIM FOR THE STARCH Hunks of boiled new potato make an excellent medium for scooping up the cheese and the juices from the pickled peppers.

BRYAN GARDNER FOR THE WALL STREET JOURNAL, FOOD STYLING BY HEATHER MELDROM, PROP STYLING BY NIDIA CUEVA; ILLUSTRATION BY MICHAEL HOEWELER

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BREAKFAST 2.0

One Fish, Two Fish

Cure your own gravlax for an easy, elegant brunch. Then use the leftovers in a hearty rye-bread hash

BY SARAH KARNASIEWICZ

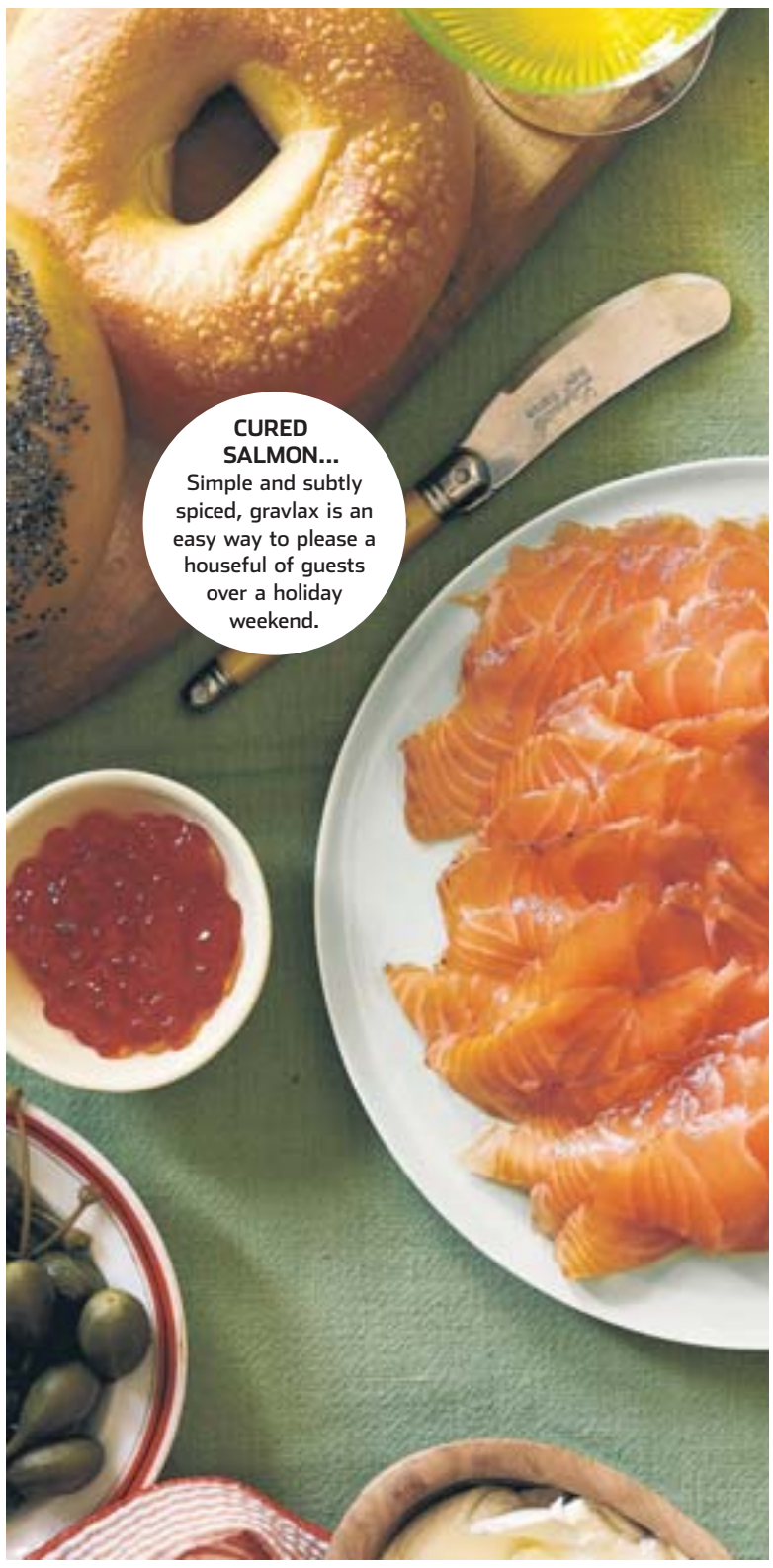
EAGER TO impress your overnight guests? You could spend a small fortune on 800-thread-count sheets—or about 10 minutes prepping a batch of silky, tender, caraway-scented gravlax. With a few days' stay in the fridge, the latter is guaranteed to inspire serious breakfast-table swooning. Come Saturday morning, slice the salmon thinly enough to read the horoscopes through and array it on a tray alongside a dozen plump bagels. Add a snowy peak of scallion cream cheese, some sliced onions and summer tomatoes, a scattering of capers and a few other niceties. No one will want to get out of their pajamas. You win the weekend.

With its seashell-pink hue and delicate texture, gravlax looks a lot like cold-smoked salmon and tastes like that brunch stalwart's milder cousin: sweeter, cleaner, and of course, smoke-free. For home cooks—even timid ones—this is a DIY project with little risk and enormous rewards.

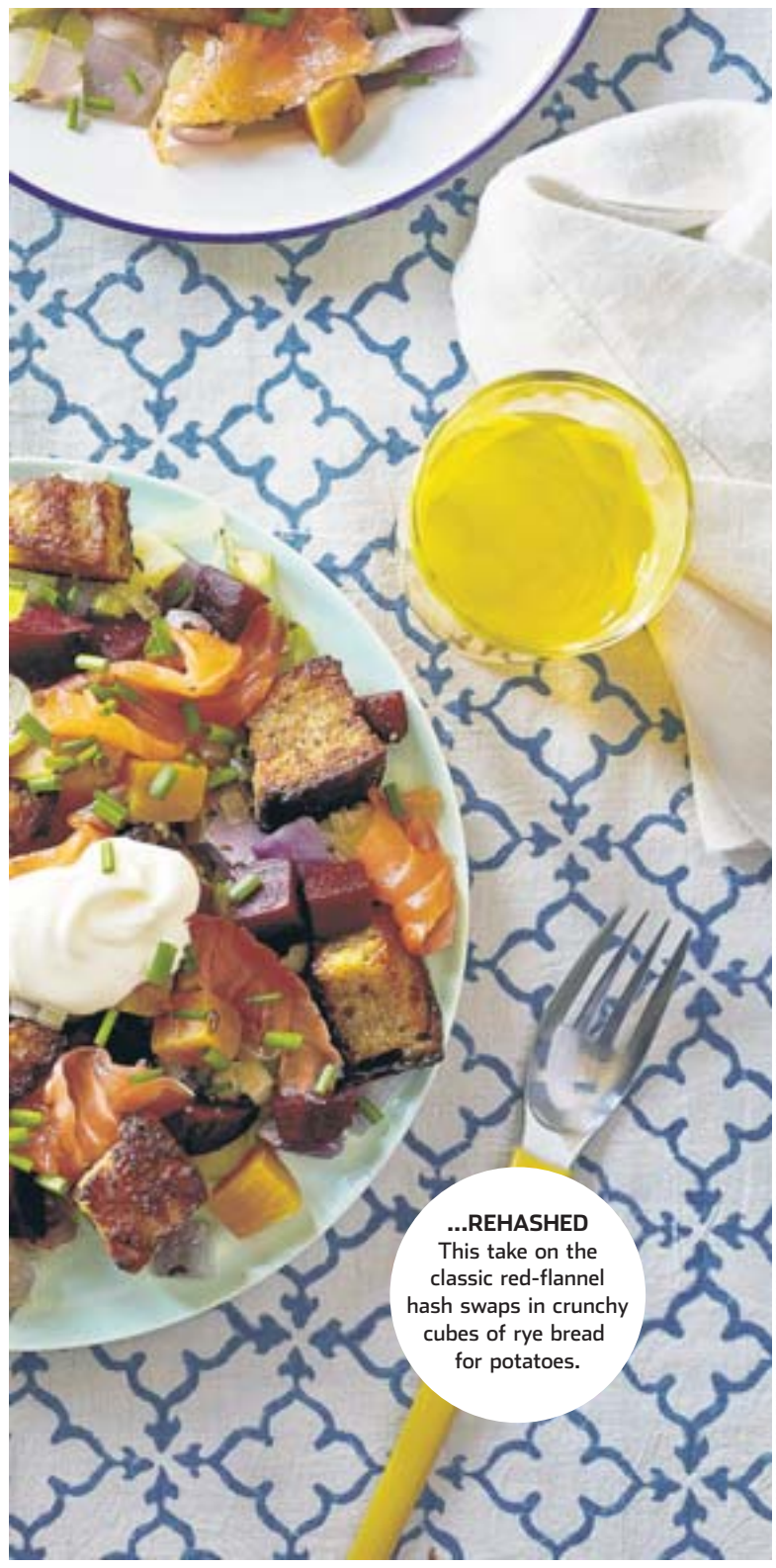
There are endless ways to tweak the formula based on regional tastes and personal recipes, but the basic method—which harks back to the days when Scandinavian sailors preserved their catch by salting and burying it along the shore—remains remarkably simple. Grab a slab of the freshest salmon you can find. Ask your fishmonger to remove the skin. (And if wild Alaskan salmon is in season, splurge. It's worth it for the buttery texture and Crayola color alone.) Slather on a rub of salt and sugar and whatever herbs strike your fancy—dill and caraway are a nice nod to the Nordics, and a hefty pinch of black pepper never hurts—then wrap the whole thing tightly in plastic wrap and pop it into the refrigerator, weighted with a few hardcovers from your summer reading stash. (A couple of cans from the pantry will also work.) The longer you let it cure, the firmer the fish's flesh will be and the bolder the flavor—but generally speaking, two to three days gets the job done.

It really is as easy as that. Hearty slices of pumpernickel or bagels and cream cheese are, of course, classic pairings. But you can bring as much bling to your appetizing platter as the occasion warrants, adding bowls of cucumber salad for cool crunch, a sunny egg salad flecked with herbs or even a few spoonfuls of briny caviar.

Leftover gravlax is a rarity, but any that isn't gobbled up will keep at least five days in the refrigerator. My favorite vehicle for scraps is a hash made with hunks of rye bread. Studded with beets and slivers of salmon and crowned with a dollop of crème fraîche, it's another dead-easy dish that affirms the greatest luxury is doing next to nothing.



CURED SALMON... Simple and subtly spiced, gravlax is an easy way to please a houseful of guests over a holiday weekend.



...REHASHED This take on the classic red-flannel hash swaps in crunchy cubes of rye bread for potatoes.

BRYAN GARDNER FOR THE WALL STREET JOURNAL, FOOD STYLING BY HEATHER MELDROM, PROP STYLING BY NIDIA CUEVA

Black Pepper and Caraway Gravlax

ACTIVE TIME: 10 minutes
TOTAL TIME: 2 days (includes curing) MAKES: 1 pound

½ cup light brown sugar
⅓ cup kosher salt
1 tablespoon freshly ground black pepper
1 teaspoon caraway seeds
1 (1-pound) salmon fillet, skin and pin bones removed

1. Combine sugar, salt, pepper, and caraway seeds in a small bowl, using your fingers to break up any clumps.
2. Spread a large piece of plastic wrap over your work surface. Sprinkle half the spice mixture onto the plastic, spreading it into an even layer that is just bigger than your salmon fillet. Place salmon on top of spices, then sprinkle on remaining spice mixture, using your hands to make sure it is evenly packed around fish.
3. Wrap plastic tightly around salmon, leaving ends open so moisture can escape during curing. Place wrapped salmon on a wire rack set on a rimmed baking sheet. Top with another baking sheet and weigh down with something heavy. (A few cans of beans, a cast-iron skillet or even some big books should do the trick.)
4. Transfer trays to refrigerator. Flip salmon once a day and drain off any liquid that has accumulated on baking sheet. For a light cure, let cure 2 days. For a stronger flavor and firmer texture, cure 3 days.
5. Before serving, unwrap salmon, rinse off spice mixture and pat dry. Slice very thinly, on the diagonal. Serve with bagels, sliced red onions, caper berries or capers, sliced cucumbers, sliced tomatoes, assorted cream cheeses and salmon roe.

Rye Bread Hash With Beets and Gravlax

TOTAL TIME: 25 minutes SERVES: 4

2 eggs
½ cup milk
⅓ cup crème fraîche, plus more for serving
Kosher salt and freshly ground black pepper
3 cups cubed dark rye or pumpernickel bread
4 tablespoons olive oil
1 leek, white part only, halved lengthwise and sliced into half-moons
1 red onion, coarsely chopped
½ teaspoon caraway seeds
1 large or 2 medium cooked beets, cut into ½-inch dice
4 large pieces homemade gravlax or smoked salmon, sliced into strips
Capers, for serving
Chopped chives, for serving

1. In a wide, shallow bowl or baking dish, whisk together eggs, milk and crème fraîche. Season generously with salt and pepper. Add bread and toss. While completing remaining steps, toss occasionally to fully saturate bread.
2. Heat 2 tablespoons oil in a large skillet over medium heat. Add leeks and onions and cook, stirring occasionally until soft and golden, 5 minutes. Gently stir in caraway and beets, and cook until fragrant, 2 minutes. Transfer to a bowl.
3. Wipe out skillet and return to stove over medium heat. Add remaining oil. When hot, add bread mixture. Cook until crisped on underside, 3 minutes, then use a spatula to gently turn. Continue cooking, turning occasionally, until crisped all over, 8 minutes more. Stir in reserved onion-beet mixture. Cook until warmed through, 2 minutes.
4. Divide hash among 4 plates. Top with gravlax, a dollop of crème fraîche, a spoonful of capers and chopped chives. Season with salt and pepper to taste.

DRINKEASY

CHILL OUT, ITALIAN STYLE

This pitcher-friendly take on the spritz cocktail takes aperitivo hour to new heights of low-key luxury

WHEN IT COMES to leisure, my hat is off to the Italians. *So you're just hanging out at this outdoor café because that's what you do after work? On a Monday?* Their mastery of kicking back manifests in cocktail form with the Aperol spritz.

This is the most famous of the spritzes, the sparkling wine-based cocktails that rule the aperitivo hour across Italy. The recipe is as easy as 3, 2, 1: three parts Prosecco, two parts Aperol, one part soda water, over ice with an orange, lime or grapefruit garnish.

It's a thirst quencher, sure, cool, sparkling and quaffable. But the Aperol spritz also has a certain la dolce vita to it that, say, a gin and tonic doesn't. Prosecco will do that. And so will the color red—just ask anyone who is fortunate enough to own a Ferrari that color.

How do you further summerize the quintessential summer drink? Make it pitcher-friendly, because even a cocktail this easy becomes a chore when you have to mix one after another. The Pompel-Spritz, a twist dreamed up by Pamela Wiznitzer, creative director of New York cocktail bar Seamstress, dials back the sparkling wine and adds grapefruit juice, a natural companion to the delectably bitter Aperol.

This drink, like all spritzes, is best in the late afternoon, with some antipasti, as you wait for the sun to set and the temperature to drop before settling into a late dinner of tortelli followed by grilled polpi and then maybe some formaggi and honey. You know, a typical Monday in Italy. But, hey, a long weekend and a backyard grill will work too. —*Kevin Sintumuang*

Pompel-Spritz
Just chill the following ingredients and pour into a pitcher with ice. Serve drinks in highball glasses with ice.

1 (750 ml) bottle of Aperol
1 (750 ml) bottle of sparkling rosé
3 cups fresh grapefruit juice
8 ounces tonic

F. MARTIN RAMIN/THE WALL STREET JOURNAL

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DESIGN & DECORATING

LOVE STORY

The Star-Scrambled Banner

A Fourth of July appreciation of the soulful beauty of antique American flags—pre-standardization and mass production

BY STEVE GARBARINO

GROWING UP outside Philadelphia, the "Cradle of Liberty," I couldn't avoid the trappings of Yankee patriotism. The flag-waving fervor reached numbing levels in 1976, when banners paraded, bunting draped and star-spangled tchotchkes proliferated: mugs, key chains, T-shirts, bikinis.

An unlikely trigger, the revival of 1969's "Easy Rider," made the teen me see the red, white and blue with more appreciative eyes. I loved the look of Peter Fonda on his custom chopper, Old Glory painted on the gas tank, his helmet and leather jacket mirroring the motif, too.

The actor's Stars and Stripes display—cool and attitudinal, symbolic of individuality more than of patriotism—hooked me. I see now that my new allegiance to the flag had much in common with the Founding Fathers' motives. What were they but rebels—their cause, independence?

"Consider that if the revolution had failed, all the guys who signed the Declaration of Independence would have been hung," said Steve Winters, whose Historical Americana Company, in Atlanta, deals in antique flags.

I hadn't thought of displaying one in my home until I visited the National WWII Museum in New Orleans, my adopted hometown. I saw framed and encased specimens—and in particular a battle-worn, faded version from D-Day, so beautiful and full of character as to qualify as art.

Studying the market, I found that early-American flags have become sought-after Americana. In May, a 13-star campaign flag from James Buchanan's 1856 candidacy (above, center) set an auction record when it sold for $275,000 to Jeff Bridgman American Antiques, in York County, Pa.

Modest finds remain, however. A 48-star version, from 1959, before Hawaii and Alaska gained statehood, can be had unframed for $10 to $150, Mr. Winters said.

Sail and tent makers likely fabricated early flags, which flew from ships and forts, said Jeff Bridgman. "Private use really didn't begin until the Civil War," he said. "Then homemade examples first appeared in a significant number." Not until 1912 did the federal government standardize the design, which explains varieties like two flags shown here (top left and top right) that distinctively arrange 31 stars, reflecting California's 1850 admission as the country's 31st state.

Materials and configurations reflect events of their day. Although many flags are made of wool, silk or cotton, the 30 Xs that stand in for stars on a WWI-era example (middle left) appear to be made of medical tape. It was fashioned, said Mr. Bridgman, by Belgians welcoming U.S. soldiers into the previously Germany-occupied city of Virton.

Customers prefer specimens that show age and usage, said C. Garrett Bonsell, owner of Bonsell Americana, in Hillsdale, Ill. This makes flags an anomaly; with most other collectibles, "mint condition" increases value. "People want it clear, even upon first glance, that the flag is old and unusual," he said. Mr. Winters noted that when early hand-printed examples age, the red turns shades of orange, the blue fades and the white mellows to tan or cream. "They take on a surreal look and have wonderful, glowing chromatic colors," he said.

Kate Schelter, a New York stylist and author of "Classic Style," scours estate sales for vintage American banners. One hangs in the staircase of her cedar-shingled Cape Cod home. "It makes a wonderful focal point," she said. Flags sit well, too, in interior designer Miles Redd's bold rooms, which often pop with primary hues. "They're incredibly distinguished and graphic," he said.

Despite a deepened respect for early American flags, I still don't possess one. Yet this Fourth of July, my fashion-designer wife plans to sell pocket squares she made from a roll of 1950s-era, 48-star mini-banners she found at an estate sale. I will stuff one in my sports jacket's pocket and cruise to the levee fireworks on my scooter, not motorcycle, come Independence Day. Born to be mild.

VERY OLD GLORIES Clockwise from top left: circa 1850, $22,500, *bonsellamericana.com;* circa 1896, *$1,195, and circa 1850, $45,000, both from historicalamericana.com;* circa 1890, *$25,000;* 1876, *$25,000;* Civil War Era, *$175,000;* circa 1890, *$60,000;* circa 1917, *$22,000;* circa 1856 *(not for sale); all from jeffbridgman.com*

CASE STUDY Joseph Dirand riffed on the concrete geometric facades of midcentury Miami for his credenza, left.

ADRIEN DIRAND/FORT PARTNERS/JOSEPH DIRAND (INTERIOR)

COPY CAT

CABINET FEVER

How to emulate the faceted look of a memorable credenza spotted in a new Miami hotel

CHECKING IN TO Miami's newly opened Four Seasons Hotel at The Surf Club, designed by American architect Richard Meier, my wife and I were upgraded to a top-floor oceanfront room. I've always had a thing for Mr. Meier's minimalist glass and white-steel residences. Now we were going to spend five vacation days in one.

I opened the door and gasped. It's one thing to see Mr. Meier's work in photos or YouTube clips. But walking into this room was like stepping into a painting. Sunlight sailed through the floor-to-ceiling windows and filled every space. It ricocheted off the bleached and crenulated walls, leapt up to white, shallowly coffered ceilings and poured across the travertine floor. Kicking off my flip-flops, I fell back on the king-size bed.

That's when I saw it between my bare feet: a sublime chalky-cream credenza. Roughly 8.5 feet long, the piece deftly combined the sleek silhouette of a 1950s stereo console with a 1930s Euro Deco aesthetic. Facets on the four doors created a spine-like geometric pattern of light and shadow. And burnished brass lined the gap between the case and doors. The cabinet was sculptural, understated, cool.

Back in New York, I called the designer of the piece and all of the hotel's guest-room décor, Paris-based architect Joseph Dirand. He told me the doors were coated with a special lacquer that crackled faintly while drying to give the wood relief its ceramic appearance. "The credenza's doors pay tribute to Miami's geometric architectural facades," he said, referencing the concrete patterns that grace many of the city's midcentury buildings.

While Mr. Dirand's cabinet isn't yet available to the public, any of the alternatives shown here could fit into most contemporary spaces. Still, adding one to an eclectic interior requires some finesse. "You don't want too many large horizontal pieces competing for the eye," warned Rachel Newton of Red, a Brooklyn, N.Y., interior design studio, adding that the silhouette of such a credenza is best appreciated in uncrowded rooms. "Give it room to breathe," she said. To visually link one to a layered interior, she suggested topping it with a plant with large architectural leaves or a sculptural lamp. *—Marc Myers*

Sierra Low Credenza, *$19,985, Dune, 212-925-6171*

Erinn V. Diamond Door Credenza, *$7,600, jamieshop.com*

1970s Small Brutalist Sideboard with Marble Top from Morentz, *$4,300, 1stdibs.com*

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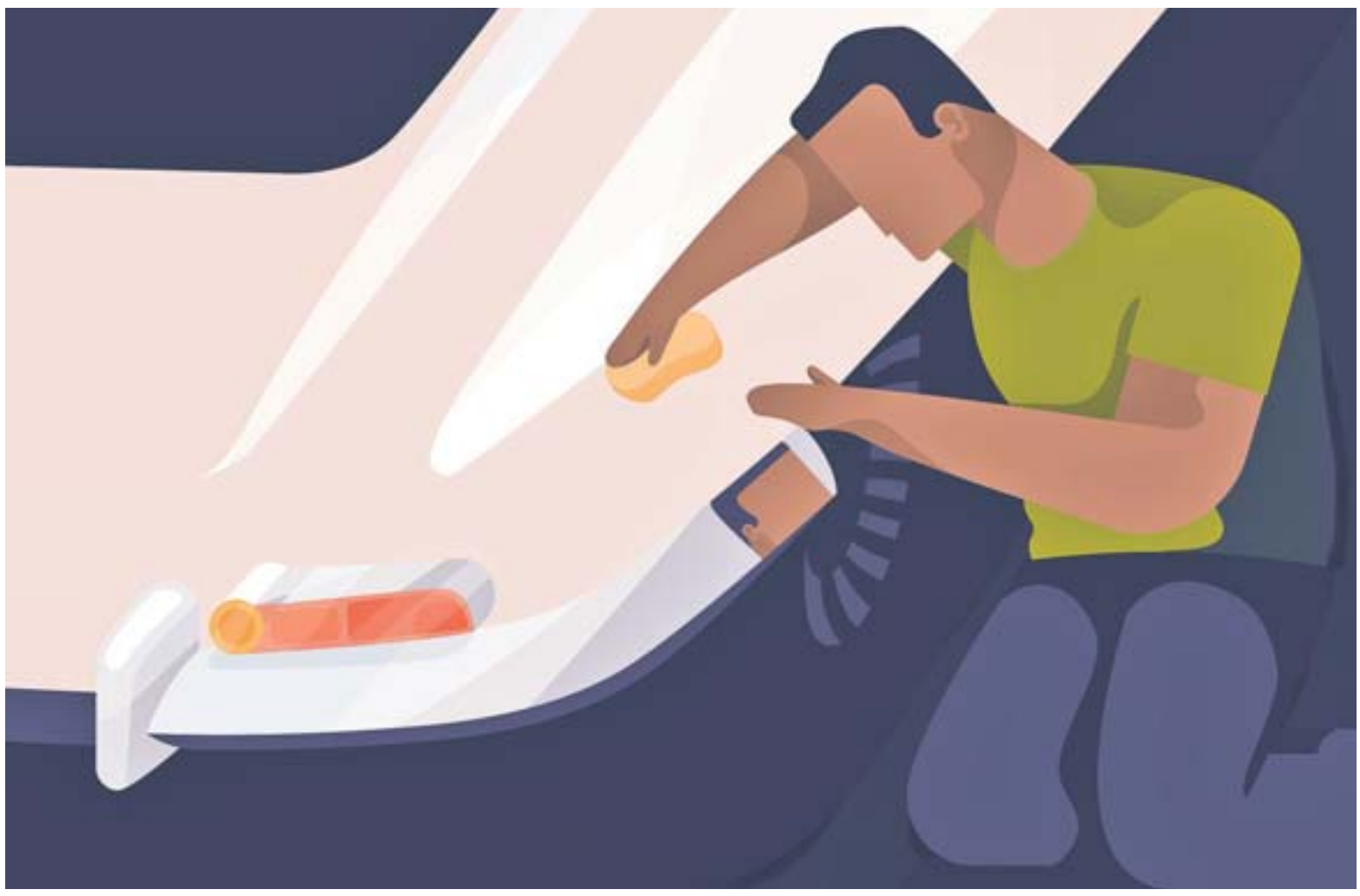
Zen and the Art of Car Cleaning

New tools are allowing car lovers to give their rides pro-quality detailing—and attain a state of bliss in the process

BY JESSE WILL



JOSH MCKENNA

SOME FOLKS achieve a Zen state by meditating; others run. And a few do so by lovingly detailing their cars. "It's something I look forward to every week," said Jacquelynne Tyner, a student at Cal State Monterey Bay, of the two hours of zealous, focused cleaning she lavishes on her 2006 Mini Cooper S Convertible. "It's very manual, very therapeutic."

Ms. Tyner is among a growing number of car-care hobbyists who take the craft to new levels—thanks to cleaning tools and materials once available only to pros. Detailing a car involves ministering to every surface, and can also involve buffing out scratches, correcting paint imperfections and even going so far as to smooth out bumpy "orange peel" factory finishes. "The truth is that it's easier than ever for the average Joe to do a pretty good job with a detail now," said Scott Nichols, a detailer and restorer in Scottsdale, Ariz., who chiefly prepares vintage cars for Concours-level competitions from Lake Como to Pebble Beach. "Both the compounds and the machines have gotten so much better."

Quality instruction for DIYers abounds, as well. If you want to read "Infinite Jest"-length discourses on different types of microfiber towels, well, there's a place for you (start with reddit.com/r/autodetailing and the forums on autogeekonline.net). If you're more visually inclined, YouTube offers enough video tutorials to keep you enthralled for years.

> Larry Kosilla is the king of car-detailing on YouTube, where his channel has nearly 400,000 subscribers.

Larry Kosilla, a former commodity trader, is the king of car detailing on YouTube, where his Ammo NYC how-to channel has nearly 400,000 subscribers. That's how Jennifer Vogt got hooked. A physician in the Navy Reserve in San Diego, Ms. Vogt now details her car weekly, she said. "I've been known to be out on the driveway at 4:30 a.m."

After studying Mr. Kosilla's how-to videos, Ms. Vogt tried her hand on her own cars, including her 2014 Maserati Quattroporte GTS. She'd had pros detail the vehicle (at upward of $400 a pop) but realized she could do a better job herself, she explained. "When you have an eye for it, it becomes a kind of art."

That art starts with a standard carwash (see sidebar). After that, things get a little more nuanced.

Obsessive detailers, for example, don't just want a vehicle to look slick; they want it to feel slick, too. When you run your hand over a car's finish, it's likely to feel rougher than you expect. Those imperfections are contaminants like tree pollen and brake dust that have bonded to the clear coat over time.

But devotees such as Warren Naugler, a campaign manager from Carlsbad, Calif., get their cars glassy smooth by laboriously rubbing a "clay bar" over every inch of its finish to expel the pollutants. Made from synthetic resin, these pliable hunks pull tiny debris out of the clear coat. Mr. Naugler spends hours doing this about every two months. (He also admits to waking up in the middle of the night to remove bird droppings from the hood of his 2008 Lexus IS-F. "It's therapy. I'll stay out there just to think," he said.)

But clay bars can't do it all. For deeper stuff—clearing up a hazy finish, say, or eradicating etching damage from baked-on bird poop, you'll need a dual-action polisher. Once a tool of the pros, this has become essential to the DIY set. Unlike rotary polishers, which spin on a single axis, dual-action models have heads that oscillate randomly, so you won't leave swirl marks and damage your finish.

Budget-minded DIY-ers can pick up a basic dual-action polisher from Harbor Freight for $70 and up, but those with the means go for tools from Rupes, an Italian manufacturer that recently arrived in U.S. retailers. Its Big Foot series of polishers (from about $300) has become the de facto standard among serious DIY-ers and pros alike. "I love it to death. It's a game changer," said Mr. Nichols. Rupes's latest innovation is the Nano ($590), which can use pads just 1 inch in diameter. Ms. Vogt extols its agility. "You can do pillars, and mirrors, nooks and crannies. It's so much fun," she said.

For a dual-action polisher to do any good, you'll need a polishing compound. In recent years these have become safer to use—less likely to leave swirls or haze. "Compounds have gotten more workable. Before, you really had to know what you were doing, because they'd dry out," said Mr. Nichols.

One of the most basic steps in detailing a car—waxing—has evolved, too. No longer do you need to rub a layer of wax onto your hood and then wait a half-hour for it to dry, the way your father likely did: Polymer-based waxes and sealants are longer lasting, more effective and go on in one pass. "You're not grabbing for that can of carnauba and having to repeat it every two weeks," said Ms. Vogt.

Meanwhile, advanced ceramic coating is threatening to obviate waxing all together. Unlike waxes and sealants that sit on top of a car's finish and soon break down, this silica dioxide—like liquid glass—fuses to the clear coat and can last for months or years with maintenance.

What many DIYers love about it is that the coating's low surface tension has a hydrophobic effect—allowing a spray of water to dispel dirt. Companies like Ceramic Pro have a network of installers that charge from around $300 for six months of coverage to $1,700 for the life of the car. Or, assuming your car has been perfectly paint-corrected, you can do it yourself with a product like CQuartz (*from about $58, carpro-us.com*).

Yet not all detailers are convinced. To holdouts like Mr. Naugler, high-tech coatings that promise to take the elbow work out of maintaining a perfect finish are hogwash. "All that high tech ceramic, Teflon, do-it-once-in-a-lifetime stuff is B.S.," he said. "Just wax your car."

Whether you prefer to polish manually or rely on nanotech, Mr. Naugler does have some words of warning about the addictiveness of detailing: "Once I realized what a clean car looked like, it threw me over the edge. I can never go back."

SQUEAKY SHEEN // CAR-CARE TECHNIQUES FOR FANATICS

Ditch the Dish Soap It may be gentle on your hands, but it's more abrasive than car soap—and will strip away protective wax and dry out plastic trim. Products like **Meguiar's Mirror Bright Automobile Shampoo** (*$13*, meguiars.com) are pH neutral to protect paint and provide a light waxing, too.

Use Two Buckets One for soapy water, one for rinsing grime out of your mitt. Place a **Grit Guard** (*$7; chemicalguys.com*) in your bucket to provide a washboard-like surface for the task.

Go Woolly Many DIY detailers swear by wool wash mitts like the **CarPro Merino Wool Wash Mitt** (*$20; carpro-us.com*), which hold suds but release dirt easily when dipped in a rinse bucket. To avoid damage from brake dust, some detailers use a dedicated wash mitt and bucket just for the wheels.

Spin a Good Yarn Good quality microfiber towels, like a 25-by-35 inch **Griot's Garage Microfiber Drying Towel** (*$27, griotsgarage.com*), leave a streak-free finish without scratches.

Don't Be a Hoser For environmental reasons as well as convenience, more enthusiasts are using rinseless wash products like **Optimum No Rinse & Shine** (*$16, optimumcarcare.com*) in lieu of hosing down their vehicles. Its polymers help usher dirt off a car's surface.

MY TECH ESSENTIALS

MIKE REYNOLDS

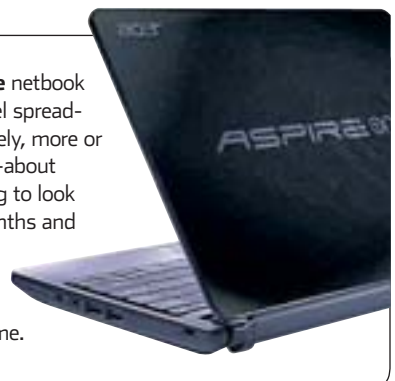
The superintendent of Death Valley National Park on cold-water strategies for hikers and the best vehicles for desert living

To effectively live in a remote place like Death Valley, you pretty much need two vehicles. Just to go to the grocery store, you're doing 300 miles round trip, all paved, so I have a 2012 Ford Focus for the gas mileage. On the other hand, you need a good four-wheel-drive vehicle to get around this park, where 95 percent is backcountry or only accessible by hard-core roads. My four-wheel-drive vehicle is a **2015 Toyota Tacoma**, which is my desert vehicle of choice for its short turning radius, high clearance and its durability.

Two park rangers and I recently went up Dry Mountain. It's one of the more extreme hikes any of us has ever taken in the park. Leading up to it, I did research on **panamintcity.com** and **summitpost.org**, where people post their routes and compare experiences. I used the sites to make notes on my paper map about ways to get around challenging spots.

Before I go hiking, I freeze six quarts of water in **Powerade** bottles, then I let three thaw. As I hike, I pour water from the thawed bottles into the ones with ice in them, so I'll have cold water most of the day.

I have a super-old, **2011 ACER Aspire One** netbook that I use to track all of my hikes in an Excel spreadsheet. I've been tracking my hikes obsessively, more or less on the same spreadsheet, since 1995—about 20,000 miles worth of hikes. It's interesting to look back and compare the averages across months and parks. Death Valley miles, for example, are really difficult versus Yellowstone miles. I can also see the people I've hiked with—almost 600 different people in that time frame.



In the summertime, I typically run at 5 in the morning, when the temperature's great, like 85 degrees. This January, I finally got a GPS watch, **Garmin Forerunner 25**. I use it to track my runs and hikes, and it's been neat to precisely track how far I've gone and where I've gone.

I usually carry a small run of **duct tape** with me. [Survive Essentials 2-by-50-inch rolls shown.] You can use it to fix hiking boots, clothes, cars—just about anything in the field. I also take a small Ziploc bag with a few supplies, mostly bandages and medical tape.

There's only one gas station here and it generally charges around $2 a gallon more than the ones in town. So never buy gas in Death Valley. When I'm going to town, I use an app called **"GasBuddy"** that tells you where the cheapest gas is.

—Edited from an interview by Chris Kornelis

F. MARTIN RAMIN/THE WALL STREET JOURNAL (POWERADE, DUCT TAPE)