For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

THE WALL STREET JOURNAL.

DOW JONES | News Corp ****** TUESDAY, MARCH 13, 2018 ~ VOL. CCLXXI NO. 59 WSJ.com ★★★★ $4.00

DJIA 25178.61 ▼ 157.13 0.6% NASDAQ 7588.32 ▲ 0.4% STOXX 600 379.20 ▲ 0.3% 10-YR. TREAS. ▲ 7/32, yield 2.870% OIL $61.36 ▼ $0.68 GOLD $1,319.40 ▼ $3.00 EURO $1.2337 YEN 106.41

What's News

Business & Finance

Trump blocked Broadcom's $117 billion hostile bid for Qualcomm over national security concerns, thwarting what could have become a record tech deal. **A1**

◆ **Goldman banker** David Solomon became the heir apparent as CEO after Harvey Schwartz, his main rival for the job, resigned. **A1**

◆ **Dropbox set** a valuation target between $7 billion and nearly $8 billion ahead of the tech firm's IPO. **B1**

◆ **Apple said** it would acquire Next Issue Media and its digital-magazine-subscription service Texture. **B1**

◆ **The Dow fell** 157.13 points to 25178.61 as shares of Boeing, Caterpillar and other industrial firms slumped. **B11**

◆ **Some fund managers** fear the "Goldilocks" market is ending and are reassessing their tolerance for risk. **B1**

◆ **General Electric didn't** pay a cash bonus last year to its top executives at corporate headquarters. **B3**

◆ **Bank of America** disclosed that its CEO earned about 250 times as much as the median employee. **B10**

◆ **China's HNA** is looking to further cash out its stakes in companies related to the Hilton hotel chain. **B3**

◆ **A+E chief** Nancy Dubuc is in advanced talks to become Vice Media's next CEO. **B4**

◆ **Wynn Resorts dropped** litigation against its former largest shareholder, Japanese mogul Kazuo Okada. **B2**

◆ **Nucor plans** to build a new steel mill in the wake of Trump's metal tariffs. **B3**

World-Wide

◆ **GOP lawmakers** drafted a report saying the House Intelligence panel's probe of Russian election meddling found no evidence of collusion by Moscow with Trump's campaign. **A1**

◆ **U.K. Prime Minister May** said it was highly likely Russia was behind the poisoning of a former spy and threatened retaliation. **A1**

◆ **A former adult-film star** offered to repay $130,000 in exchange for being released from a contract barring her from discussing an alleged sexual encounter with Trump. **A3**

◆ **Trump backed off** his support for new age restrictions on firearm purchases, saying there was no support for such a move in Congress. **A4**

◆ **CNBC analyst Kudlow** is under consideration to succeed Cohn as Trump's top economic adviser. **A2**

◆ **China unveiled** plans for overhauling its government bureaucracy, combining some regulators. **A6**

◆ **Authorities are** investigating a string of package blasts in Austin, Texas, that have left two people dead. **A3**

◆ **Women fleeing** domestic violence abroad could lose the right to claim U.S. asylum under a review by Sessions. **A4**

◆ **A panel said** urgent action is needed to curb a jump in the price of cancer drugs. **B4**

◆ **A plane crash-landed** at Nepal's Kathmandu Airport, killing over 45 people. **A6**

◆ **The Metropolitan Opera** fired conductor James Levine following an investigation into alleged sexual misconduct. **A9**

CONTENTS

Business News	B3,6	Opinion	A13-15
Capital Journal	A4	Sports	A12
Crossword	A10	Streetwise	B1
Heard on Street	B12	Technology	B4
Life & Arts	A9-11	U.S. News	A2-4
Markets	B11-12	Weather	A10
		World News	A5-7

© Copyright 2018 Dow Jones & Company. All Rights Reserved

Trump Blocks Broadcom Chip Bid

White House says proposed takeover of Qualcomm would pose security threat

By Kate O'Keeffe

President Donald Trump on Monday blocked Broadcom Ltd.'s $117 billion hostile bid for Qualcomm Inc., capping a remarkable series of moves by the Trump administration reflecting officials' concerns about an intensifying arms race between the U.S. and China over advanced technologies.

While Broadcom is a Singapore-based company, the U.S. panel that vets foreign deals said that the bid could have had implications for the U.S.'s broader technological competition with China. That panel, the Committee on Foreign Investment in the U.S., known as CFIUS, said it was worried that Broadcom would stymie research and development at Qualcomm given its reputation as a cost-cutting behemoth. CFIUS said such a move could weaken Qualcomm—and thereby the U.S.—against foreign rivals racing to develop next-generation wireless technology known as 5G, such as China's Huawei Technologies Co.

Broadcom, which launched its hostile bid for Qualcomm in November in what could have become the technology industry's biggest-ever deal, was working to redomicile in the U.S. to evade the panel's review. But the presidential order effectively ended its acquisition hopes.

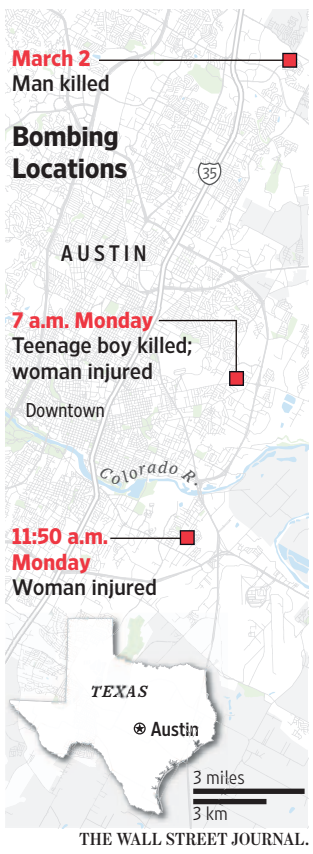
Broadcom, which has said it would invest in Qualcomm's 5G technology if a deal went through, said late Monday it was reviewing the order. "Broadcom strongly disagrees that its proposed acquisition of Qualcomm raises any national security concerns," it said in a statement.

"This decision is based on the facts and national security sensitivities related to this particular transaction only," Treasury Secretary Steven Mnuchin, who chairs CFIUS, said in a statement. He added that it "is not intended to make any other statement about Broadcom or its employees, including its thousands of hard working and highly skilled U.S. employees."

CFIUS has grown increasingly wary of any deals with potential national-security ramifications linked to China—

Please see DEAL page A2

Texas Capital on Edge After Bombs Leave One Dead, Two Injured



THE WALL STREET JOURNAL.

RICARDO B. BRAZZIELL/AUSTIN AMERICAN-STATESMAN/ASSOCIATED PRESS

DEADLY ATTACK: Authorities responded to bomb explosions in Austin, Texas, on Monday. A 17-year-old boy was killed and a woman was injured in one explosion, and a woman was wounded by a second bomb hours later. The bombs, left outside of homes in packages, are believed to be linked to a deadly March 2 explosion. **A3**

GOP Panel Members Find No Collusion On Russia

By Rebecca Ballhaus And Byron Tau

WASHINGTON—Republican lawmakers on the House Intelligence Committee have drafted a report saying the panel's yearlong probe into Russian election interference found no evidence that Moscow colluded with Donald Trump's campaign or that the Kremlin favored Mr. Trump in the 2016 race.

The panel found "bad judgment" and some "inappropriate meetings" between members of the Trump campaign and Russians, but no sign that those amounted to collusion, said Rep. Mike Conaway (R., Texas), who has been heading the probe since last spring.

Mr. Conaway cited a much-scrutinized June 2016 meeting

Please see PROBE page A4

◆ California prepares for Trump visit and protests..... A3
◆ Gerald F. Seib: Democrats are fired up but hurdles loom... A4

Goldman Anoints Heir to Blankfein

By Liz Hoffman

David Solomon became the heir apparent at Goldman Sachs Group Inc. Monday after his main rival for the top job abruptly resigned, moves that show the Wall Street powerhouse is continuing to move beyond its trading roots.

The surprise announcement came after Goldman's board of directors last month anointed Mr. Solomon as the eventual successor to current Chief Executive Lloyd Blankfein, over co-President Harvey Schwartz, according to people familiar with the matter.

The Wall Street Journal reported last week that Mr. Blankfein could retire as soon as year-end, though he remains firmly in control of his exit. Messrs. Schwartz, 54, and Solomon, 56, who were jointly elevated to the No. 2 role in December 2016, were the top contenders to succeed him.

DAVID PAUL MORRIS/BLOOMBERG NEWS

David Solomon

The two hail from different parts of the firm. Mr. Solomon is a longtime investment banker who DJs on the side. Mr. Schwartz, a karate black belt, scaled the ranks of Goldman's trading arm on his way to becoming chief financial officer.

In choosing Mr. Solomon, Goldman is going with a business builder who is respected, if not universally loved, inside the firm. The move amounts to a bet that the coming decade will look little like the last one, as Goldman continues to evolve from a secretive trading powerhouse into a more entrepreneurial place.

The two men were told of the board's decision last week, at which point Mr. Schwartz, who was informed upon his return from a West Coast trip, said he would leave, people familiar with the matter said.

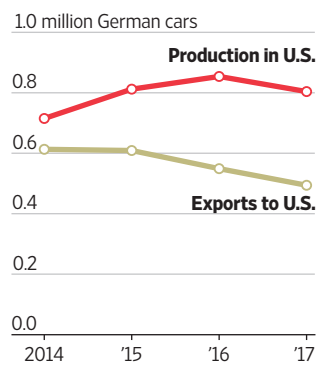
Mr. Blankfein shared the news Monday morning with the firm's management committee, a group of about 35 top officials. "Harvey's leaving the firm," the typically blunt CEO said, according to people briefed on the meeting. Mr. Solomon quickly canceled a planned trip to China.

For generations, power at Goldman has swung between bankers and traders. When Mr. Blankfein, a former trading chief, took over in 2006, that business was dominant. Since the financial crisis, though, it

Please see CEO page A6

Trade War Tensions Rise

European car makers warned that tariffs could result in cutbacks in their U.S. investments. **A7**



Source: German Automotive Manufacturers' Association

I'd Be an 'A' Student If I Could Just Read My Notes

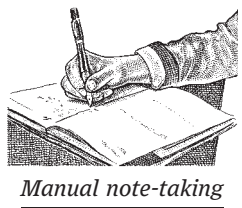
* * *

As profs ban laptops in class, collegians revert to handwriting; 'my hand is yelling'

By Melissa Korn

Adam Shlomi says he is a good student at Georgetown University. But the sophomore is failing in one unexpected area: note-taking.

Back in his Florida high school, he brought a Chromebook to class, taking "beautiful, color-coded notes." So he was shocked to learn many professors at the elite Jesuit university in Washington, D.C., don't allow laptops in their lecture halls.



Manual note-taking

With nearly illegible handwriting—a scrawl of overlapping letters with interchangeable t's and f's, g's and y's—Mr. Shlomi, 20 years old, begs notes from friends, reads textbooks and reviews subjects on YouTube when it's time to take a test.

As professors take a stand against computers in their classrooms, students who grew up more familiar with keyboards than cursive are struggling to adjust. They are recording classes on cellphones, turning to friends with better penmanship and petitioning schools for a softer line.

Chris Seeley, a senior political-economy major at the University of California, Berkeley, can handle an hour-long class that bans laptops. Ninety minutes gets tough. A two-hour lecture, such as one this semester, is brutal.

"My hand is yelling at me, basically," he said of the feeling after handwriting final exams.

Mr. Seeley, 22, has estab-

Please see NOTES page A8

INSIDE

MEET THE CLEAN-LIVING GENERATION

LIFE & ARTS, A6

ASSOCIATED PRESS

BASKETBALL, BRACKETS AND BUFFETT

JASON GAY, A12

U.K.'s May Cites Russia In 'Brazen' Poisoning

By Wiktor Szary

LONDON—U. K. Prime Minister Theresa May said it was highly likely Russia was behind the poisoning of a former spy, summoning the country's ambassador for an explanation and threatening retaliation for what she called an "indiscriminate and reckless act."

Mrs. May told Parliament on Monday that Sergei Skripal and his daughter Yulia were poisoned last week with a military-grade nerve agent of the Novichok class, a deadly chemical weapon developed in the Soviet Union in the 1970s and '80s.

"Either this was a direct act by the Russian state against our country," Mrs. May said, "or the Russian government lost control of this potentially catastrophically damaging nerve agent and allowed it to get into the hands of others."

Russian Foreign Ministry spokeswoman Maria Zakharova called Mrs. May's statements "a circus show in the British Parliament," Russian news agencies reported.

The attack in Salisbury, a city of 45,000 people in southwestern England, has prompted calls for sanctions against the Kremlin, with which Britain's relations are at the lowest point since the Cold War.

U.S. Secretary of State Rex Tillerson said that he had spoken with his British counterpart and had "full confidence in the U.K.'s investigation and its assessment that Russia was likely responsible for the nerve agent attack" in Salisbury.

"There is never a justification for this type of attack—the attempted murder of a private citizen on the soil of a sovereign nation—and we are outraged that Russia appears to have again engaged in such behavior," he added. "From Ukraine to Syria—and now the U. K.—Russia continues to be

Please see RUSSIA page A7

◆ Weapon designed to be lethal, virtually undetectable..... A7

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

U.S. NEWS

Senate Banking Bill Exposes Democratic Rifts

By Andrew Ackerman And Natalie Andrews

WASHINGTON—Moderate and liberal Democrats are quarreling over a Senate bill that eases rules for the banking industry, illustrating ideological party splits and offering a preview of diverging priorities ahead of 2018 and 2020 elections.

The intraparty fight is dividing the caucus in a way that hasn't happened since Republicans took full control of Washington last year. It pits centrists up for re-election this year in red states, who support what they say would help smaller banks, against liberals seen as presidential contenders in 2020, who say the measure would inject more risk into the financial system.

Despite the objections from the more liberal Democrats, the Senate is likely to approve the bill this week.

The friction, which spilled into public view as the Senate debated the bill last week, could give red-state Democrats daylight from liberal lawmakers such as Elizabeth Warren of Massachusetts.

"Look at it from the perspective of those up for re-election: They can talk about how they were attacked by Elizabeth Warren and still stood up for community banks," said Jim Manley, a former Democratic leadership aide.

Others say support for the bill could come back to haunt centrists. "Vulnerable Democrats are deluding themselves if they think voting with Trump on a massive, deregulatory bill is going to earn them any points back home next November," said Brian Faallon, a former aide to Hillary Clinton.

Centrist lawmakers who helped write the bill—including North Dakota Sen. Heidi Heitkamp, Montana Sen. Jon Tester and Indiana Sen. Joe Donnelly—say the legislation recalibrates post-financial-crisis rules that have stifled smaller banks. All three of those senators are facing tough re-election battles.

"We're seeing way, way, way too many banks being eaten up by bigger banks," Mr. Tester said. "If this continues, I don't think we can expect the Wall Street banks to be serving places like Montana."

Progressive Democrats rallying against the bill say it wrongly relaxes rules for banks, injecting more risk into the financial system at a time when markets are volatile and banks enjoy strong profits.

Ms. Warren, a longtime critic of banks, attacked her centrist counterparts by name in a fundraising campaign sent by email March 6 after 17 members of the Democratic caucus signaled support for the bill in a procedural vote, saying they had "sided with big banks." In a speech at a Democratic fundraising dinner the following night, she made a thinly veiled attack on Democrats that "help the Republicans deliver even more goodies for big banks."

At a Democratic lunch meeting at the Capitol on March 6, Sen. Claire McCaskill of Missouri, a co-sponsor, vented about liberals for leveling intraparty attacks, people familiar with the matter said.

Democrats have pleaded with one another to keep gripes "in the family," and none have criticized Ms. Warren publicly. Alabama Sen. Doug Jones, who was named in Ms. Warren's email, shrugged it off. "I don't really worry about things like that. I do what I think is best for me," he said.

The two sides have starkly different views of the policy changes in the bill in question.

Supporters say it relaxes a sliver of the 2010 Dodd-Frank financial law, which they blame for helping to fuel a wave of consolidation among community banks.

Democratic opponents, among other things, object to a central piece of the bill that would relieve about two dozen midsize banks from stricter Dodd-Frank rules by raising a key regulatory threshold to $250 billion in assets from the current $50 billion.

Centrists counter that any increased risks are negligible and that the bill doesn't do much for the biggest U.S. banks that played central roles in the crisis.

Bank Boost

17 members of the Democratic caucus, many facing re-election this year, last week supported advancing a bank-deregulation bill.

10 of the 17 are up for re-election this year

The majority represent states Donald Trump won in 2016

*Independent Angus King from Maine caucuses with the Democrats
Photos: U.S. Senate
Sources: U.S. Senate and The Wall Street Journal THE WALL STREET JOURNAL.

◆ Streetwise: It's time to fret about the bet on debt..... B10

Dogs Brought to Safety as Fire at Auto-Wrecking Yard Spread

DAVE KILLEN/THE OREGONIAN/ASSOCIATED PRESS

ANIMAL RESCUE: Canines in Portland, Ore., were relocated Monday as a blaze that started in a pile of scrap cars moved to a nearby apartment building. No injuries were reported but more than a dozen cats died, according to firefighters.

CNBC's Kudlow May Succeed Cohn

By Michael C. Bender And Nick Timiraos

WASHINGTON—Top White House officials have reached out to gauge Lawrence Kudlow's interest in becoming President Donald Trump's top economic adviser, and the CNBC commentator was expected to interview for the position as soon as this week, people familiar with the discussion said.

Mr. Kudlow, a longtime cable-TV economic analyst and veteran of the Reagan administration, is under consideration to succeed Gary Cohn as director of the National Economic Council. The post doesn't require Senate confirmation.

BRENDAN MCDERMID/REUTERS

Lawrence 'Larry' Kudlow

Mr. Cohn announced his resignation last week after Mr. Trump's decision to enact new steel and aluminum tariffs. Other candidates for the job include Chris Liddell, the director of strategic initiatives at the White House, and Peter Navarro, the architect of the president's tariff program, White House officials said.

Mr. Kudlow and Mr. Cohn both have publicly opposed Mr. Trump's decision to implement tariffs, which they warn could tempt a trade war.

Despite his misgivings over Mr. Trump's trade policy, Mr. Kudlow is interested in the job, according to people who have spoken to him about the role. He declined to comment for this article.

Mr. Kudlow has supported Mr. Trump's push to reduce taxes and regulations but has repeatedly voiced concern over Mr. Trump's threats of starting a trade war.

Most recently, he has criticized the national security rationale for the latest round of tariffs. "If you want to go after China for overcapacity, then get China. Don't get Canada, the EU," he said in an interview earlier this month.

Mr. Kudlow said the tariff move was particularly frustrating because U.S. corporations, including steel companies, had just received "the biggest business tax cut in history." He added: "What more could they want?"

DEAL

Continued from Page One

and of any deal makers the panel perceives to be trying to evade their review.

One of the key concerns CFIUS laid out about the Qualcomm bid was Broadcom's "relationships with third party foreign entities and the national security effects of Broadcom's business intentions with respect to Qualcomm," according to a March 5 letter that a CFIUS official wrote to the companies' lawyers that was disclosed to the Securities and Exchange Commission.

"Given well-known U.S. national security concerns about Huawei and other Chinese telecommunications companies, a shift to Chinese dominance in 5G would have substantial negative national security consequences for the United States," the letter says.

CFIUS was also concerned by Broadcom's efforts to expedite its redomiciliation to the U.S. following the panel's decision March 4 to investigate its bid for Qualcomm. CFIUS had told lawyers for the companies in a letter dated Sunday that Broadcom had repeatedly violated its order to provide the panel with five days' notice before taking any action on its redomiciliation plan. CFIUS also said in the letter that its investigation of the bid "so far" confirmed the national-security risks it had previously identified with the proposed merger.

The last deal Mr. Trump blocked was Chinese government-backed Canyon Bridge Capital Partners' attempt to buy Portland, Ore.-based Lattice Semiconductor Corp.

The deal had become a lightning rod in a broader battle between the U.S. and China over chip technology and foreign direct investment more generally, and lawmakers had been watching closely. A bipartisan group of 22 House members led by Rep. Robert Pittenger (R., N.C.)—who, along with Senate Majority Whip John Cornyn of Texas has introduced a bill to expand CFIUS's jurisdiction—wrote to the panel in December 2016 to flag the transaction. The group expressed concern that the deal could provide China with critical technology and accused Canyon Bridge of initially trying to obscure its Chinese-government backing, both of which the fund denied.

Mr. Trump blocked the deal in September after CFIUS said it raised national-security concerns.

The president's move quashed what could have been the biggest-ever tech deal.

CFIUS's decision to review Broadcom's proposed bid came just days before Qualcomm shareholders were set to vote on whether to replace six of the company's 11 directors with nominees put forward by Broadcom, a result that could have helped Broadcom achieve the takeover.

The move had little precedent. Some private-sector lawyers who specialize in CFIUS matters said the panel's decision to intervene in the proposed deal before it was even signed—and its rationale for recommending against it, which included concerns over its ramifications for U.S. competition with China—represented an abuse of the committee's powers as its reviews are focused purely on national security issues.

The CFIUS panel itself had also initially been divided over whether it had the right to commence its review before the deal was signed, with representatives from the Departments of Justice, Homeland Security, Defense and Energy urging CFIUS to begin its review of the deal before Qualcomm shareholders went to vote on the slate of directors that included Broadcom's nominees, according to people familiar with the matter.

—Cara Lombardo and Ted Greenwald contributed to this article

U.S. WATCH

STORM

New England Braces For Over Foot of Snow

Winter-weary New England is gearing up for yet another major storm that was expected to dump heavy snow starting Monday night.

A large swath of the region is expected to get more than a foot of snow, with Boston bracing for up to 18 inches. The National Weather Service issued a blizzard warning for the Massachusetts coast as the storm neared.

"Travel will be very difficult to impossible, including the morning commute on Tuesday and possibly the evening commute" as well, the weather service's Taunton, Mass., office said.

The city closed schools for Tuesday while the mayor urged employers to let workers stay home.

"It seems like this one's going to be a big one," Boston Mayor Martin Walsh said Monday.

The region has already been hammered by two major nor'easters in March. The first caused major coastal flooding in Massachusetts while the second caused particularly severe power outages, knocking out service for hundreds of thousands of New England customers last week, when heavy, cementlike snow coated tree limbs and power lines.

—Jon Kamp

NEW HAMPSHIRE

Lottery Winner Can Remain Anonymous

A judge ruled Monday that a New Hampshire woman who won a Powerball jackpot worth nearly $560 million can keep her identity private, but not her hometown.

"She was jumping up and down," said her lawyer, William Shaheen. "She will be able to live her life normally."

Mr. Shaheen said the woman is from Merrimack, 25 miles south of Concord.

Judge Charles Temple wrote he had "no doubts whatsoever that should Ms. Doe's identity be revealed, she will be subject to an alarming amount of harassment, solicitation, and other unwanted communications."

The judge said she met her burden of showing that her privacy interest outweighs the public's interest in disclosing her name in the nation's eighth-largest jackpot.

Last week, the commission handed over $264 million—the amount left after taxes were deducted—to the woman's lawyers.

—Associated Press

CRIME

Man Who Allegedly Sent Powder Released

A Massachusetts man charged with sending a threatening letter with white powder to President Donald Trump's son was ordered to be released from jail Monday while he awaited trial.

Daniel Frisiello will be confined to his family's home and is prohibited from using the internet and sending mail. He has been behind bars since he was arrested this month.

The letter to Donald Trump Jr. was opened in February by his wife, Vanessa Trump, who reported she was coughing and felt nauseous and was briefly hospitalized. The substance turned out to be nonhazardous.

Postal Inspector Michael Connelly said Mr. Frisiello also sent a threatening letter containing white powder to a Trump family member during the 2016 presidential race.

Mr. Frisiello's attorney has said he has some "issues" and has been on medication his entire life.

—Associated Press

CORRECTIONS & AMPLIFICATIONS

Cincinnati Financial Corp. is a property, casualty and life insurer. In a sidebar to a Page One article about pay at major U.S. companies on Monday, it was incorrectly described as a bank.

Peter Arenella is a professor at the University of California, Los Angeles. A U.S. News article Monday about the insanity defense incorrectly said he is a professor at the University of Southern California.

Reporter Peter Landers is based in Tokyo. In some editions Monday, a Page One article about trade tariffs incorrectly said he is in Brussels.

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

THE WALL STREET JOURNAL
(USPS 664-880) (Eastern Edition ISSN 0099-9660)
(Central Edition ISSN 1092-0935) (Western Edition ISSN 0193-2241)
Editorial and publication headquarters: 1211 Avenue of the Americas, New York, N.Y. 10036
Published daily except Sundays and general legal holidays.
Periodicals postage paid at New York, N.Y., and other mailing offices.
Postmaster: Send address changes to The Wall Street Journal, 200 Burnett Rd., Chicopee, MA 01020.
All Advertising published in The Wall Street Journal is subject to the applicable rate card, copies of which are available from the Advertising Services Department, Dow Jones & Co. Inc., 1211 Avenue of the Americas, New York, N.Y. 10036. The Journal reserves the right not to accept an advertiser's order. Only publication of an advertisement shall constitute final acceptance of the advertiser's order.
Letters to the Editor: Fax: 212-416-2891; email: wsj.ltrs@wsj.com

NEED ASSISTANCE WITH YOUR SUBSCRIPTION?
By web: customercenter.wsj.com; **By email:** wsjsupport@wsj.com
By phone: 1-800-JOURNAL (1-800-568-7625); **Or by live chat** at wsj.com/livechat

REPRINTS & LICENSING
By email: customreprints@dowjones.com; **By phone:** 1-800-843-0008

GOT A TIP FOR US? SUBMIT IT AT WSJ.COM/TIPS

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

Package Explosions Rock Texas Capital

By Dan Frosch
And Russell Gold

AUSTIN—Police are investigating a string of package explosions across the Texas capital, including a pair of them on Monday, that have left two people dead and two others injured since early March.

The package bombs Monday killed a teenage boy and injured two others. Those followed a package bomb that killed a man here on March 2. All three explosions involved packages left outside homes, and Police Chief Brian Manley warned residents to call the police if they received an unexpected or suspicious-looking package.

Mr. Manley said law-enforcement agencies weren't ruling out the possibility that the blasts were hate crimes, as both victims killed in the deadly explosions were African-American, although one of the injured victims was Hispanic.

As thousands of music industry and entertainment executives gathered downtown for the South by Southwest festival on Monday, police scrambled across the city from one crime scene to the next.

Before 7 a.m., on a street of single-story homes in a largely African-American part of east Austin, a resident retrieved a package left on their doorstep, went inside to the kitchen and opened it. The package exploded, killing a 17-year-old boy and leaving a woman with non-life-threatening injuries, Mr. Manley said.

Then, just before noon on the southeast side, in a mostly Hispanic neighborhood, a 75-year-old Hispanic woman opened a package left outside her home, which detonated. She was rushed to the hospital and is listed in critical but stable condition.

Neighbors said she lived with an elderly relative in the house. "Those elderly ladies live there, and they don't do any harm. This is ridiculous," said a neighbor, Bertha Cardenas. The 68-year-old said the neighborhood was mostly owner-occupied homes, families who had lived in this corner of southeast Austin near the airport for decades.

Police said Monday's incidents mirrored the deadly March 2 blast. In that incident, a 39-year-old African-American man, Anthony Stephan House, was killed by an explosion after opening a package left in front of his home.

"We are having innocent people getting hurt across this community, and it is important that we come together as a community and solve this," Mr. Manley said.

Mr. Manley said the U.S. Postal Service doesn't believe that Monday's packages, which he described as "box type deliveries," were sent through their service, and police said they believe the packages were dropped off by someone.

Police didn't know yet if any of the victims were the intended targets or had any connection to each other.

California Prepares For Trump, Protests

By Alicia A. Caldwell
And Alejandro Lazo

SAN DIEGO—President Donald Trump is finally set to make his first visit to California as president this week, as his administration battles the state over its immigration policies and some of his fellow Republicans here look to keep their distance from him.

Mr. Trump is scheduled to travel to the state Tuesday, after becoming the first president since Dwight D. Eisenhower not to visit California during his first year in office, according to the American Presidency Project at the University of California, Santa Barbara.

The visit comes at an especially tense time between the Trump administration and the left-leaning state, the nation's most populous.

Attorney General Jeff Sessions last week announced a lawsuit challenging three new California laws aimed at protecting unauthorized immigrants, prompting an outcry from top California Democrats. Mr. Trump has lashed out at the state in recent weeks for being too soft on immigration.

Dueling rallies by supporters and opponents of Mr. Trump were expected during his trip to the border and nearby San Diego, where the president was set to view prototypes of the wall he has promised with Mexico.

"There's a lot of support for his visit," said Jeff Schwilk, founder of the group San Diegans for Secure Borders and an organizer of a rally in support of Mr. Trump.

Meanwhile, several immigrant-advocacy groups and other foes of Trump's immigration policies were organizing their own protests around San Diego and the border ahead of the president's trip.

More than two dozen immigration advocates and at least two elected officials gathered at San Diego's historic Chicano Park to denounce Mr. Trump's planned visit and the border-wall project. "This is something we don't want," said Georgette Gomez, a San Diego city councilwoman.

California Gov. Jerry Brown, in an open letter to Mr. Trump published Monday, sounded themes of California exceptionalism, quoting former Republican President George W. Bush, who said the state is "where the future happens first."

Mr. Trump lost the state to Democratic presidential nominee Hillary Clinton in the 2016 election. The GOP is struggling to defend four congressional seats in suburban Orange County, a once reliably red swath of the state that Mrs. Clinton flipped.

State Assemblyman Rocky Chavez, one of several Republicans running for the seat being vacated by Rep. Darrell Issa, who is retiring, said he would likely be in Sacramento, the state capital, during Mr. Trump's visit. "What day is he even coming?" Mr. Chavez said. "It's just not my thing."

Spokesmen for two other Republican candidates in the congressional race, former Assemblywoman Diane Harkey and San Diego County Supervisor Kristin Gaspar, said those candidates didn't have plans related to the president's visit.

Jim Brulte, chairman of the California Republican Party, said the party wasn't planning any official activities around Mr. Trump's travel here.

KELLYANN PETRY FOR THE WALL STREET JOURNAL

The helicopter involved in Sunday night's crash in New York City was hoisted out of the East River on Monday afternoon. Five passengers died in the accident.

Helicopter Crash Exposes Safety Concerns

By Paul Berger
And Andy Pasztor

A fatal helicopter crash Sunday in New York that killed five passengers who were trapped underwater has exposed safety concerns in the helicopter-tour industry.

The helicopter's pilot said one of the passengers' bags might have inadvertently hit the emergency fuel-shutoff button, according to a person familiar with the investigation. The pilot had radioed in a mayday call just before the crash, saying: "East River, engine failure."

New York City officials said divers who sought to rescue the passengers trapped in the submerged, inverted Eurocopter AS350 helicopter had trouble releasing the passengers—four men and one woman—from their harnesses. The passengers had signed up for a photo tour of New York City that requires more complicated safety harnesses because the tours are often done with the doors open.

National Transportation Safety Board investigator Todd Gunther said Monday that the agency will be looking into the harness system as part of its continuing investigation.

Despite high-profile government and industry safety initiatives, both the total number and frequency of serious U.S. helicopter crashes have remained high in recent years. Last year, the overall fatal-accident rate in the U.S. for all helicopters inched higher compared with the two previous years, according to preliminary data from the industry and the Federal Aviation Administration.

For roughly every 130,000 helicopter flights, the entire industry recently has averaged one fatal accident nationwide, according to FAA data. By comparison, deadly airline accidents occur approximately once per one million flights worldwide. Sightseeing or tourist flights are the third-leading category of fatal helicopter accidents, accounting for about one in every eight such events globally, according to a joint industry-government safety group.

The possible dangers of sightseeing flights also came under scrutiny last month when a helicopter crashed and burned on a tour of the Grand Canyon, killing five British tourists and severely injuring the pilot and a passenger.

Stretching back several years, the FAA has taken action to improve the survival rate in helicopter crashes by requiring sturdier seats and more-fire-resistant fuel systems. But Sunday's crash has highlighted different safety issues, stemming from difficulties passengers may have freeing themselves in an emergency from harnesses.

Sen. Chuck Schumer (D., N.Y.) on Monday called on the FAA to suspend the license of Liberty Helicopters Inc., which operated the downed helicopter, pending a review of the company's safety record and Sunday's crash.

FAA spokesman Jim Peters said the agency is looking into whether Liberty Helicopters was in compliance with federal regulations.

Liberty Helicopters, based in Kearny, N.J., said it is fully cooperating with the investigation. "We are focused on supporting the families affected by this tragic accident," the company said.

The company, which is one of five tour operators that fly out of the city's Downtown heliport, has been in operation since 1990 and offers a range of tours, including a 12-to-15-minute "Big Apple" tour for $214 a person.

The operator has been involved in two other high-profile crashes in the past 11 years, but investigators didn't fault it in either case.

Former Adult-Film Actress Seeks To Discuss Alleged Trump Tryst

By Michael Rothfeld
And Joe Palazzolo

The former adult-movie star who accepted $130,000 from President Donald Trump's lawyer would return the money in exchange for being released from a contract barring her from discussing an alleged sexual encounter with Mr. Trump, according to a letter from her attorney.

The letter Monday to Trump attorney Michael Cohen said Stephanie Clifford, the former actress, would pay Mr. Trump the money by Friday if he and Mr. Cohen agreed to end the contract, halt an arbitration proceeding against her and allow Ms. Clifford to speak "openly and freely about her prior relationship with the President and attempts to silence her."

Mr. Cohen and his attorney, Lawrence S. Rosen, didn't respond to a request to comment on the letter from the lawyer for Ms. Clifford. The White House didn't respond to requests to comment.

Previously, the White House denied any sexual relationship between Mr. Trump and Ms. Clifford, known professionally as Stormy Daniels, and refused to answer questions about the nondisclosure agreement.

In the letter, Ms. Clifford's attorney, Michael Avenatti, said she would wire the money to an account designated by Mr. Trump if the settlement offer was accepted.

EDUARDO MUNOZ/REUTERS

Ex-porn star Stephanie Clifford.

The letter was reported earlier by the New York Times.

As part of any new deal, Mr. Trump and Essential Consultants LLC—the Delaware corporation Mr. Cohen formed to make the $130,000 payment—wouldn't take action to prevent a recent "60 Minutes" interview with Ms. Clifford from airing, according to the letter.

If Messrs. Trump and Cohen accept the deal, Ms. Clifford would drop a lawsuit filed last week against Mr. Trump, seeking to declare the nondisclosure agreement invalid because Mr. Trump didn't sign it, the letter says.

The Wall Street Journal in January reported that Mr. Cohen had paid Ms. Clifford $130,000 in October 2016, shortly before the presidential election, in exchange for her signing a nondisclosure agreement about her allegations of a sexual encounter with Mr. Trump in 2006.

While Ms. Clifford offered to repay Mr. Trump, it isn't clear whether any of Mr. Trump's personal funds were used toward the $130,000 she was paid.

Mr. Cohen has said that he paid the money out of his own funds and that he wasn't reimbursed by the Trump Organization or Mr. Trump's campaign.

He hasn't answered questions about whether Mr. Trump or anyone else repaid him.

Ms. Clifford last week sued Mr. Trump in Los Angeles County Superior Court seeking an order to have the agreement declared null and void. She argued that Mr. Trump hadn't signed it and that Mr. Cohen had previously breached the deal by making statements to the media about it and the payment.

House Panel Probes Hospital Accreditation

By Stephanie Armour

The House Energy and Commerce Committee is investigating organizations that accredit most of the nation's hospitals following a report by The Wall Street Journal last year that identified patient safety problems at hospitals that had attained or kept their accreditations.

Committee leaders are seeking information from the Centers for Medicare and Medicaid Services, or CMS, which oversees hospital accrediting organizations. They also sent letters Monday to four national accrediting organizations, requesting that they brief committee staff and provide such items as correspondence with the federal government, performance reviews and any corrective actions.

A Wall Street Journal database investigation in September found that The Joint Commission, which accredits almost 80% of U.S. hospitals, typically takes no action to revoke or modify its accreditation when state inspectors find serious safety violations. Hospitals kept their full accreditation even in cases where they had been ousted from the Medicaid program for safety problems.

The Joint Commission has said it doesn't routinely withdraw accreditation of hospitals with safety violations because its focus is less on regulating or penalizing and more on preventing problems.

"We intend to respond and see this as an opportunity to share more on the work we do to improve health care quality and patient safety by facilitating high reliability," said Dawn Glossa, a spokeswoman for The Joint Commission.

CMS said patient care and safety are top priorities. "We will continue to follow our longstanding response protocol, and after appropriate agency review is complete we will share a full answer to the committee through that standing process," the agency said in a statement.

The committee seeks information from the Centers for Medicare and Medicaid Services.

The Energy and Commerce Committee is requesting that four major accrediting organizations, including The Joint Commission, provide staffers with a briefing on their inspection process and their interactions with CMS no later than April 6.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

Democrats Are Fired Up, but Hurdles Loom

CAPITAL JOURNAL
By Gerald F. Seib

Democrats figure to have a good day Tuesday in Pennsylvania. They'll either win or come close to winning a special election for an open House seat, in a district that President Donald Trump carried by 20 percentage points and that should be a lock for the Republicans.

Democrats will take that as a sign that they are well-positioned to win back control of the House this year, and maybe the Senate, because they have well-funded candidates, a party base highly motivated by disdain for the president, and a key constituency in suburban women moving their way. That's all true.

But November's midterm elections are eight months away, a lifetime in modern politics. And as they ride into the sunset Tuesday, Democrats also ought to be concerned about some warning signs out on the horizon. Here are a few:

◆ The economy. It's in great shape, which is the best available news for Mr. Trump and his Republicans. A leading indicator of that trend line came in the February jobs report released last Friday, the import of which may have been lost amid the kaleidoscope of other news swirling around Washington.

It was a blockbuster report: The economy added 313,000 jobs in February, the largest gain in more than a year. More than 800,000 Americans got off the sidelines and entered the workforce, the largest one-month jump since 1983. Wages rose some, but not a lot, suggesting an economy that can run strong without overheating.

The yawning budget deficit that will be opened up by the tax cut Congress passed late last year—and the potential trade war the Trump administration may be starting—have the potential to do serious damage. But those risks are a ways off. For now, things look good, which is not so good for Democrats.

◆ Tax-cut popularity. Americans appear to be warming up to that tax cut, which wasn't exactly met with a wave of popular support when first passed.

In the RealClearPolitics average of national polls, approval of the tax cut has risen to 42% from 30% at the end of last year. The share disapproving of the law still tops the share that approves, but only by 3 percentage points. For congressional Republicans who needed something of their own to run on, the trend line is moving in the right direction.

◆ Democrats' own untested economic message. The flip side of warmer feelings toward the tax cut is the Democrats' struggle to hone a message to counter it. They started down that path last week with a plan that would unwind much of the tax-cut package to raise funds for a $1 trillion investment in American infrastructure.

Infrastructure spending is a job creator and popular with both business and unions, so that's a good message. Still, it puts Democrats in the awkward position of campaigning on a tax increase, including a higher top tax rate and a return of a broad alternative minimum tax. They may find a more potent message is one that says the tax cut is unfair to average Americans because the big deficits it will generate will force cuts in Medicare.

◆ Signs of Republican enthusiasm. Democrats feel good because they have a fired-up base, thanks in large part to Mr. Trump. But Republicans are starting to see some signs that their own base, discouraged six months ago because of failures in Washington, is coming to life as well.

The clearest signals came in Texas' primary election last week. Republicans showed up in big numbers at a time Democrats thought they had the enthusiasm edge in the traditionally red state. In the U.S. Senate primary, for example, more than 60% of the votes cast were by Republicans, compared with 37% for Democrats, even as Democratic turnout was up more than 80% over the last midterm primary, in 2014.

◆ A cultural disconnect in key places. The good news for Democrats is that their liberal base is highly motivated. The bad news is that the base may block more centrist candidates who would have a better shot at winning in November in culturally conservative states.

A party driven by its liberal base may face particular problems in the fight for control of the Senate, where Democrats this year will need to win in several states that Mr. Trump carried. "In the Senate, they have to navigate constituencies that are fundamentally opposed to their view of cultural issues like guns and immigration," says Josh Holmes, former chief of staff to Senate GOP leader Mitch McConnell. "In short, the catalysts underpinning all of the Democratic energy nationwide simultaneously create huge liabilities in the states that matter in 2018."

ANDREW HARRER/BLOOMBERG NEWS

A supporter of Conor Lamb, the Democratic candidate in Tuesday's House election in Pennsylvania, before a rally on Sunday.

Sessions Weighs Asylum Limit

By Jess Bravin

WASHINGTON—Women fleeing domestic violence overseas could lose the right to claim asylum in the U.S. under a review of immigration-court precedent launched by Attorney General Jeff Sessions last week, people familiar with the case said.

The move is one of several Mr. Sessions has made in recent weeks under his power to intervene in specific cases normally heard by the Board of Immigration Appeals. Earlier last week, Mr. Sessions threw out a 2014 board decision that afforded full hearings to most asylum applicants even if an immigration judge had found their claims didn't set out a basis for granting asylum.

That followed Mr. Sessions' January order directing to himself a case that could abolish the power of immigration judges to freeze proceedings through "administrative closure," effectively allowing certain aliens to remain in the U.S. indefinitely unless their cases are reopened.

While Mr. Sessions' actions regarding asylum law may later face federal court scrutiny, the attorney general is head of the immigration-court system, which is an arm of the Justice Department.

The moves reflect the Trump administration's aggressive efforts to tighten immigration enforcement. Last week, Mr. Sessions filed suit against the state of California, which had enacted measures limiting cooperation with federal immigration officials.

In a one-page order dated March 7, the attorney general personally took charge of a case, titled Matter of A-B-, that previously had been set for review by the appeals board. The issue, according to Mr. Sessions' order, involves whether victims of "private criminal activity" are members of a "particular social group" whose persecution qualifies for protection under asylum law.

"The A.G. is requesting amicus briefs from all interested parties and considering this matter because of a lack of clarity in the court system," a Justice Department official said.

Mr. Sessions' order, which set a briefing schedule for April, provided no further details regarding the case or the applicant, identified only by the initials A.B. A lawyer for A.B., Ben Winograd of the Immigrant & Refugee Appellate Center LLC, Alexandria, Va., said his client is a domestic-violence victim from El Salvador.

The case's "underlying issue is domestic violence," said Geoffrey Hoffman, director of the University of Houston Law Center's immigration clinic. Mr. Hoffman said he had read the case under review but was not free to provide details.

He said, however, that the Board of Immigration Appeals has reckoned with domestic-violence claims in the past and in 2014 issued a landmark decision affording victims eligibility for asylum.

ERIC GAY/PRESS POOL

Women who are attempting to flee domestic violence in their home countries could lose the opportunity to seek asylum in the U.S. under a review by Attorney General Jeff Sessions.

President Pulls Back On New Gun Rules

By Michael C. Bender And Kristina Peterson

WASHINGTON—President Donald Trump backed off his support for new age restrictions on firearm purchases, saying there was no support for such a move in Congress. But his promise to spend federal money on arming teachers also drew fire from Republicans in the Capitol on Monday.

"I've got a problem with that," Sen. Shelley Moore Capito (R., W.Va.) said of arming teachers. "It just doesn't sound like a solution to the problem."

A bill from Sen. Orrin Hatch (R., Utah) that would spend $50 billion on school safety expressly prohibits that money from being spent on arming teachers. Mr. Hatch said he doesn't personally oppose arming teachers, but included a provision in his bill ensuring that federal funds aren't used for that purpose. "I don't think there's a lot of support for that," he told reporters Monday.

An early iteration of the president's plan called on states to raise the age limit for buying some guns, as Florida lawmakers agreed to do this year. Such a move, which was a last-minute scratch, White House officials said, wouldn't have required any federal action or support from Republicans in Congress.

Similarly, White House officials said spending Justice Department money to train teachers to carry guns wouldn't require congressional approval. But the White House hasn't identified the source of the funding, or how much would be spent.

The most obvious difference between the two proposals: the National Rifle Association supports arming teachers, and opposes increasing the age restrictions.

"This is an issue where if the president led, it would have the votes," Sen. Chris Murphy (D., Conn.) said Monday evening.

Just last month, Mr. Trump tried to shame Republicans, saying members of his party opposed increasing age limits because they were "afraid of the NRA."

PROBE

Continued from Page One

at Trump Tower in New York between a Russian lawyer linked to the Kremlin and top Trump campaign aides, including one of Mr. Trump's sons and his son-in-law. "That meeting should never have taken place," Mr. Conaway said. "But we can't find anything that leads us to a collusion string."

In the 150-page draft report, which committee Democrats haven't seen yet, Republicans wrote that Russia carried out an "active measures" campaign in the 2016 election and was likely to do so again in future elections, but said they saw no sign that Moscow was seeking to help Mr. Trump, Mr. Conaway said.

The panel's top Democrat, California Rep. Adam Schiff, in a statement Monday evening, called Republicans' announcement a "tragic milestone for this Congress" and "yet another capitulation to the executive branch."

"By ending its oversight role in the only authorized investigation in the House, the Majority has placed the interests of protecting the President over protecting the country, and history will judge its actions harshly," he said.

The draft report—the existence of which took Democrats by surprise on Monday—caps a highly contentious investigation in which Democratic lawmakers on the panel have repeatedly accused the GOP majority of a lack of thoroughness and for bowing to pressure from the White House to end a probe the president has referred to as a "witch hunt."

Partisan divisions grew so deep that the Republicans planned to build a wall to separate their staff from the Democratic committee aides, The Wall Street Journal has reported. GOP and Democratic lawmakers also clashed over the release of a GOP-authored memo accusing law-enforcement officials of improperly handling surveillance of a one-time Trump campaign adviser.

The findings of the GOP report, which won't be released for months, are at odds with parts of a January 2017 report by the U.S. intelligence community, which concluded that Russian President Vladimir Putin had ordered a campaign to influence the outcome of the 2016 U.S. presidential election in Mr. Trump's favor.

"The Intelligence Community stands by its January 2017 assessment," said Brian Hale, a spokesman for the office of the Director of National Intelligence, which oversees the various U.S. spy agencies.

Republicans say their investigation has been appropriately thorough, and that working to quickly release their findings best serves the public interest.

While special counsel Robert Mueller has continued to interview and subpoena new witnesses as recently as last week, Republicans have rebuffed multiple requests by Democrats on the committee to bring in Trump campaign associates and subpoena Trump-related entities.

Republican staffers on the committee reviewed thousands of documents that were the source for the intelligence community's report, Mr. Conaway and his aides said.

The panel concluded that Russia's goal was largely to "sow discord," rather than aiming to help Mr. Trump win the election, he said.

Mr. Trump has denied any collusion between his campaign and Russia, and Moscow has denied any government effort to influence the election. On Monday night, he tweeted in capital letters that the panel "FOUND NO EVIDENCE OF COLLUSION."

The draft report includes some recommendations for avoiding foreign interference in future elections, including that the Federal Election Commission require more detailed reporting of expenditures, Mr. Conaway said.

The Republicans' draft report caps a highly contentious investigation.

The panel's Republicans are expected to present the draft report to Democrats on Tuesday. Once they have weighed in, it will be submitted to intelligence agencies for a declassification review before being made public.

Mr. Conaway said he expected Democrats to make "extensive changes" to the report. Among the issues on which Republicans and Democrats are unlikely to reach a bipartisan conclusion is the question of whether anyone from the Trump campaign worked with Russians to help tip the election in his favor, according to interviews with multiple lawmakers and aides on both sides.

The draft report doesn't appear to have consensus even among panel Republicans. Rep. Tom Rooney (R., Fla.) said in a CNN interview Monday evening that the investigation had "gone completely off the rails" and "lost all credibility." Asked whether he believed Mr. Putin had sought to help Mr. Trump—which the draft report disputes—he said, "Absolutely."

Committee Democrats expressed surprise at the news Republicans were taking steps to end the probe. "We have not been informed that there will not be any more interviews conducted," a senior Democratic aide said. "We have also not been informed that the investigation has ended."

The panel's Democrats have said that the committee has allowed a number of key witnesses to refuse to answer questions, and that Republicans appear unwilling to use tools available to Congress to force answers.

A Senate panel, the Senate Select Committee on Intelligence, is conducting a similar investigation.

JOHN CHRISTIAN
Crafted in gold & platinum
Rush! Service Available

Your Anniversary Immortalized In Roman Numerals
JOHN-CHRISTIAN.COM 888.646.6466

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

Shiite Core Shifts Ire to Iraq Government

Leading constituency, which helped fight ISIS, feels lack of respect; 'the district of martyrs'

By Isabel Coles And Ali Nabhan

MIDEINE, Iraq—So many men from this oil-rich region of southern Iraq have been killed in battle with Islamic State militants that it has come to be known as "the district of martyrs."

Inside a small mosque, men gathered recently to mourn the latest losses: 17 members of their tribe, the Bani Mansour, slain in an ambush on Feb. 18 in northern Iraq, where Islamic State militants are still waging their insurgency more than three months after the government said they had been vanquished. The tribesmen's personal grief is mixed with resentment toward a government they say has failed to provide for them.

"No one has repaid us for our sacrifices," said 50-year-old Sheikh Amin al-Salim, who heads the branch of the tribe to which six of the fallen men belonged. "They did not give the martyrs their rights, pave a road or improve electricity."

In the past three years of war, Iraq's Shiite-led government has overcome challenges posed by Sunni insurgents and Kurdish separatists. But now it faces a reckoning among its core Shiite constituency, including many who fought to keep the country united and paid with the deaths of their sons and fathers.

Those watching Iraq's Shiite heartland see a hardening among the country's majority. Discontent there, expressed in demands for better services and a growing disregard for state authority, poses risks to a unified and stable Iraq, said Sajad Jiyad, the managing director of Baghdad-based think tank al-Bayan.

"If they're disgruntled, [or] protests break out, or victors come back from the battlefield and say...this system isn't working for them—it's all a danger," he said.

The town of Mideine and its surrounding district reflect many of the challenges the Shiite majority poses to the government. Located in the southern province of Basra, where nearly all Iraq's oil is produced, Mideine has little to show for its resource riches. Rubbish piles up in the streets; unemployment is high, electricity patchy, and the water unfit to drink.

Until now, Shiites, who make up more than 60% of Iraq's population, have largely tolerated the government's failures, wary of weakening their hold on power after decades of repression under Saddam Hussein. The Iraqi dictator cracked down ruthlessly on the community after a failed uprising in 1991. After the U.S.-led invasion in 2003, Iraq's Shiites won power through the ballot box.

But as memories of the dictator fade, old grievances have risen to the surface. "The notion that Shiites have benefited from the Shiite government is totally wrong," said Raad al-Mansouri, a relative of six of the victims.

In past times of trouble, the Iraqi government has relied on its Shiite majority. When Islamic State overran about one-third of Iraq in 2014, thousands of Shiite men mobilized to defend the country. Most responded to a fatwa, or religious edict, from Iraq's most influential cleric, Ayatollah Ali al-Sistani, and joined militias, some backed by Iran. Shiites also made up the rank and file of the country's regular security forces.

Reminders of these sacrifices dot Mideine. The district's rundown streets are plastered with banners lionizing those killed in recent battles with Islamic State. A fresh banner inside the small mosque displays images of the most recent six casualties alongside those of 36 others killed since the 1980s.

As Shiite-led security forces flooded the north and west of the country to suppress the insurgency, armed tribes in the south grew stronger. They have fought among themselves with heavy weapons over water supplies in some regions, and in others hampered local companies contracted by major oil companies. Some tribes have obstructed such firms and even kidnapped their workers to extract ransoms.

Organized crime and drug use are also on the rise. Basra provincial council member Nashaat al-Mansouri said while Iraq used to be a corridor for drug smuggling, it has more recently become a market and even a factory for illicit substances.

Prime Minister Haider al-Abadi, himself a Shiite, in February sent troops to reimpose law and order in Basra and bring weapons under state control. But with the national economy in crisis and the government in deficit, defusing those tensions is proving difficult.

"Sunni areas, where the people brought in, accepted and supported Daesh, are now compensated for destruction while we did not get the rights for our martyrs," said 45-year-old Salman Abd al-Wedad, using a common term for the Islamic State militants he fought alongside the six men who were killed. "In the end, they get our oil money and we remain deprived."

—Ghassan Adnan contributed to this article.

HAIDAR MOHAMMED ALI FOR THE WALL STREET JOURNAL

People gathered in a funeral hall north of Basra early this month to mourn relatives killed fighting Islamic State in Mideine, Iraq.

Oil-Producing Areas Face Poverty Pinch

Oil produced in Basra accounts for around 85% of Iraqi state revenue, but poverty levels in the south were among the country's highest. Although Islamic State wasn't able to penetrate those areas, where major oil companies including **Exxon Mobil** and **Lukoil** continued to operate, government resources flowed toward the war effort, pushing the poverty rate in southern provinces up to 32% in 2014, according to the World Bank, compared with a national average of 23%.

Lawmakers from Basra joined Kurdish and some Sunni lawmakers in blocking the passage of the 2018 budget until last week, demanding a bigger share of the country's revenue. "Basra must be paid its due so that it feels it belongs to Iraq," said Falah al-Khazaali, a lawmaker from Basra.

Haider al-Hatem, a 52-year-old civil-rights activist, believes the only way for Basra to get its fair share of Iraq's wealth and improve services is by forming an autonomous region so officials can be held to account. In recent years he helped organize protests in Basra that he later deemed futile.

"Our voice was a scream in the wilderness—it was not heard," he said. With elections approaching in May, Mr. Hatem is hoping "to make the [political] parties feel the rug is gradually beginning to be pulled from under their feet."

—Isabel Coles and Ali Nabhan

For personal, non-commercial use only.

ey.com/consulting

Are today's businesses prepared for what doesn't exist yet?

Navigate the Transformative Age with the better-connected consultants.

EY
Building a better working world

The better the question. The better the answer. The better the world works.

© 2018 EYGM Limited. All Rights Reserved. ED 0418.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

China Is Set To Overhaul Bureaucracy

Revamp fits with Xi's plans to install himself and Communist Party at center of power

By Chun Han Wong

BEIJING—China unveiled plans for overhauling its government bureaucracy, combining some financial, markets and business regulators, as part of President Xi Jinping's efforts to strengthen Communist Party control over levers of power.

Presented Tuesday to China's legislature, the proposal calls for merging the banking and insurance regulatory commissions, consolidating bureaus that regulate business and pricing into a new market supervision agency and creating a new ministry to manage land, ocean and other resources.

Broad-ranging changes in the plan include a powerful supervisory commission to further press Mr. Xi's anticorruption crackdown and a new ministry to handle veterans affairs, following years of sporadic protests by demobilized soldiers over welfare. A new office of international development cooperation is being set up to oversee the country's rising financial aid programs like Mr. Xi's Belt-and-Road initiative to build infrastructure across much of the world.

The overhaul comes on the heels of constitutional amendments that in effect boost Mr. Xi's power, and fits with his broader plans to install himself and the 89 million-member party at the center of China's political landscape.

A party directive issued last month said the reorganization aimed to "strengthen the Communist Party's leadership in every sector." Key to that is eliminating the bureaucratic inertia that Mr. Xi and other senior leaders say has hampered efforts to shift the economy away from wasteful investment toward more sustainable growth and make China a global power.

Though Beijing tweaks its bureaucratic structure every few years, the current plan is the most sweeping in a decade and a half. It is all but certain to be approved by the party-controlled congress on Saturday.

Given the plan's emphasis on control, foreign businesses—which have complained about unfair and selective regulation—are likely to face more formidable government agencies.

Overall, the restructuring aims to reverse a trend started four decades ago when Beijing started free-market reforms to invigorate the sluggish command economy. China's leadership under the reformer Deng Xiaoping sought to separate powers, giving the party a guiding role while the government directly managed the economy. A result has been to weaken the party's dominance over society—a process Mr. Xi now wants to change.

"Xi is telling everyone that not only is the party in charge (it always has been) but also now that the party must be seen as running the government," said Ryan Manuel, an expert on Chinese politics at the University of Hong Kong. "He wants to use more party methods to rule the government."

Plane Crash-Lands in Nepal, Killing More Than 45 People

PRAKASH MATHEMA/AGENCE FRANCE-PRESSE/GETTY IMAGES

More than 45 people were killed when a plane crash-landed and caught fire at Nepal's Kathmandu Airport, airport officials said.

The US-Bangla Airlines flight from the Bangladeshi capital of Dhaka was carrying 67 passengers and four crew members on Monday when it started flying erratically during landing, missed the runway and crashed.

Forty-nine of those on board have been confirmed dead, while 22 others are in the hospital, some in critical condition, an airport official said. Earlier, officials had said more than 50 had died.

Kamrul Islam, a spokesman for US-Bangla Airlines, said 33 Nepalis, 32 Bangladeshis and one Chinese and one Maldivian were traveling on the aircraft that crashed. The four crew members were from Bangladesh, he said.

"We are very saddened by this tragic incident, which is the first since we began our operation" in July 2014, he said.

Local media coverage showed the mangled and charred remains of the aircraft, which missed the runway by some 1,000 feet.

It was Nepal's deadliest air accident in decades.

—Krishna Pokharel

WORLD WATCH

EUROPE

U.S. Moves to Place New EU Ambassador

Amid rising tensions between the U.S. and Europe over trade and foreign policy, the Trump administration is taking steps to fill the vacant post of U.S. envoy to the European Union.

Washington has asked the EU if Portland hotelier Gordon Sondland would be an acceptable nominee, according to two senior European officials. If nominated and approved by the Senate, which can take months, he would fill a job that has been vacant since 2016.

Mr. Sondland is co-founder and chief executive officer of Provenance Hotel Partners. Neither he nor the White House was available to comment. Through associated companies, he donated $1 million to Donald Trump's inaugural committee, according to Federal Election Commission records.

—Laurence Norman and Stephen Fidler

UNITED KINGDOM

U.K. Bars Entry To Far-Right Activists

The U.K. government refused entry to two political activists, saying it wasn't in the public interest for them to be in Britain.

American Brittany Pettibone, a YouTube commentator, and far-right Austrian activist Martin Sellner, the co-founder of an anti-immigrant movement, were traveling together and detained at Luton airport, north of London, on Friday and deported on Sunday.

The decision to deny entry to the two highlights what the U.K. says is a clampdown on the dissemination of far-right ideology.

Mr. Sellner said Monday that Britain's decision to bar him and Ms. Pettibone from entering the U.K. showed freedom of speech was endangered in Britain.

Ms. Pettibone didn't respond to requests to comment.

—Jenny Gross

Top Candidate Plans to Shake Up Mexico Oil Industry

By Robbie Whelan

MEXICO CITY—The frontrunner in July's presidential election wants to upend Mexico's newly opened energy sector.

Andres Manuel López Obrador, a leftist nationalist with a comfortable lead in the polls, has rattled investors by calling for a temporary freeze in new private investment in exploration and production of oil. But it is his plan to shift federal spending to refining from exploration and production that critics say could have the most dramatic consequences for the economy and U.S. refineries along the U.S. Gulf Coast.

Eventually, Mr. López Obrador wants to halt crude-oil exports—a critical source of revenue for the country—because Mexico has become too dependent on the U.S. for refined gasoline, said Rocio Nahle, a congresswoman from his Morena party whom the candidate has named as his secretary of energy should he win.

"We're going to change the energy policy of this country, that's a fact," Ms. Nahle told The Wall Street Journal.

Energy analysts, rival politicians and former employees of state oil company Petróleos Mexicanos, or Pemex, say that Mr. López Obrador's plan would throw the energy-dependent economy back to the early 1970s, before key oil discoveries were made and when the country relied on a closed economy in industries such as oil, steel and agriculture.

The refinery plan could also have broad fiscal consequences, leading to a potential budget shortfall. For the U.S., which buys half of Mexico's crude exports, it could force refineries along the U.S. Gulf Coast that rely on Mexican crude to look elsewhere.

Mr. López Obrador has a long history of opposing the opening of the oil industry to foreign and private investment. In 2013, he led thousands in protests against President Enrique Peña Nieto's plan to allow private investment in exploration and production, calling the idea of sharing the benefits of Mexico's natural resources with foreign oil companies an affront to national sovereignty.

"It's common sense. Why don't we add value to our resources? Why do we have to buy gasoline?" Mr. López Obrador said on Friday. "By the middle of the next presidential term, we're going to stop buying gasoline, we're going to produce gasoline in Mexico."

For the past decades, successive governments have invested in exploring and producing crude oil for export. The reason is simple: the payoff from finding crude oil is large, whereas refining has very small margins and requires massive investment.

Gasoline imports have surged in the past decade as demand for auto fuel grows and as six existing refineries have become less productive, dogged by inefficiencies, unplanned shutdowns and damage caused by natural disasters.

Mexico imported 571,000 barrels of gasoline a day in 2017, a rate that was 59% higher than in 2013. Meanwhile, 2017 was the worst year for domestic gasoline production in over a decade, with 257,000 barrels refined a day, down 44% from a decade earlier. Pemex's six refineries were operating at an average capacity of 48% last year, the lowest level on record.

Mr. López Obrador wants to build one or two refineries, which would each cost about $6 billion and take approximately three years to construct, said Ms. Nahle. She said he also wants to upgrade all six refineries, getting them running at between 70% and 95% capacity within nine months.

Pemex contributes nearly 20% of Mexico's federal budget. Mexico exported $20 billion of crude oil last year, at an average of 1.17 million barrels a day, about half of it to the U.S. Crude export volumes have fallen by more than 30% in the past decade as several key Mexican oil fields have become tapped out.

To try to offset that decline, the country opened its exploration and production to private investment in 2013. Since then, the country has held eight auctions and awarded 91 exploration and production contracts. But many of these will take years to yield significant amounts of crude.

One obstacle to raising refinery productivity is Pemex's 130,000 unionized workers, whose efficiency badly trails international standards.

"You'd have to carry out major reforms and dramatically modify existing labor practices, or else it's not worth it" to upgrade refineries, said Adrián Lajous, who led Pemex from 1995 to 1999.

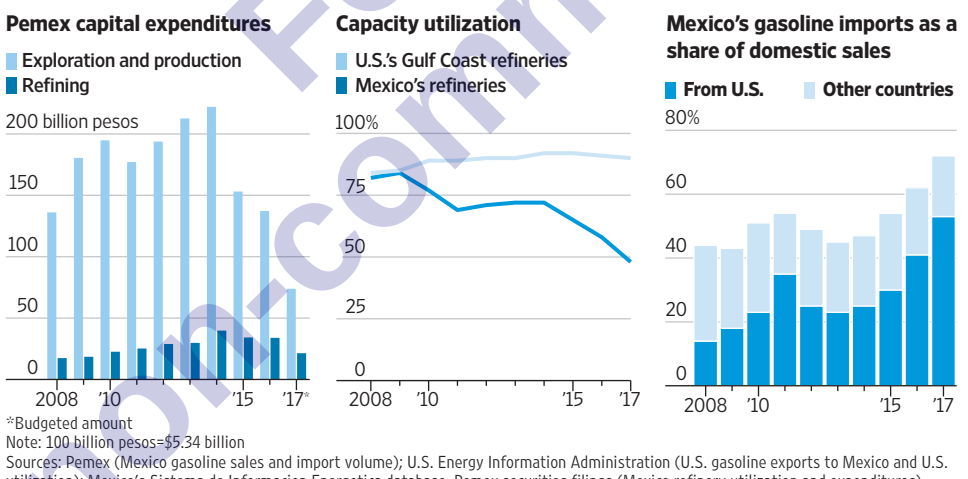
Ultimately, the plan makes sense only if Mexico can produce gasoline more efficiently than what it costs to bring it from Texas. "You are basically asking Mexico...to compete with the world's most efficient oil refiners, which are the ones on the U.S. Gulf Coast," said Pablo Medina, an analyst with the Houston firm Welligence. "Just for the sake of being energy independent, I'm not sure the price is right."

Guzzling Gas

For years, Mexico has poured money into the production of crude oil, forgoing investment in refining gasoline...

...which has led capacity utilization at its refineries to fall to 48% in 2017, its lowest level on record...

...and forced Mexico to depend more heavily on imported gasoline, particularly from the U.S.



*Budgeted amount
Note: 100 billion pesos=$5.34 billion
Sources: Pemex (Mexico gasoline sales and import volume); U.S. Energy Information Administration (U.S. gasoline exports to Mexico and U.S. utilization); Mexico's Sistema de Informacion Energetica database, Pemex securities filings (Mexico refinery utilization and expenditures)
THE WALL STREET JOURNAL.

FROM PAGE ONE

CEO

Continued from Page One

has faltered, sending Goldman into new businesses like consumer banking and low-fee index funds in search of growth.

Those changes were seen to favor Mr. Solomon. He is known less as a superstar deal maker than a strong manager, able to prune dead weight, motivate strivers and marshal Goldman's resources behind big initiatives.

"David is a pied piper, and I mean that in the best way," said Chris Nassetta, CEO of Hilton Hotels Corp., who worked with Mr. Solomon at Bear Stearns. "People want to follow him."

Mr. Solomon came to Wall Street in the mid-1980s, selling commercial paper at Drexel Burnham Lambert. Off duty, he played social planner to a group of college friends, organizing casino outings in Atlantic City and summer rentals in the Hamptons, where roommates would wake up to find him mowing the lawn.

After a stint at Bear Stearns, Mr. Solomon joined Goldman as a rare outside partner in 1999 and set out to build a junk-debt business. In 2006 he assumed responsibility for Goldman's investment bankers, who advise companies on mergers and fundraisings.

Mr. Solomon is credited with professionalizing that division, which he ran for a decade. He had a policy of giving zero bonuses to the bottom 5% of employees, executives said. But he also spearheaded Goldman's efforts to lighten the workload for junior bankers, and took a leading role in the firm's effort to recruit and promote women. He built a debt capital-markets business that reported record revenues last year.

Mr. Schwartz, meanwhile, embodied Goldman's profitable past, having scaled the ranks of its trading division. As finance chief from 2013 to 2016, Mr. Schwartz navigated the political and market forces that reshaped banking after the crisis, and was a strong hand in the areas of risk management and regulation.

He graduated from high school in New Jersey and didn't bother applying to college, instead joining a local gym as an athletic trainer. He eventually attended Rutgers University, working as nightclub bouncer and other odd jobs to pay his way, and joined Citigroup Inc. as an operations temp in 1989.

He came to Goldman's commodities trading arm in 1997 as a derivatives salesman, helping energy and mining companies protect themselves from price swings.

By 2008, Mr. Schwartz was running the trading division. As the financial crisis unfolded, he kept the firm on the offensive while competitors pulled back. The gambit worked: Goldman's traders made $33 billion in 2009, the most profitable year on record for a Wall Street broker-dealer.

Mr. Schwartz was named CFO four years later, a move so unexpected that senior executives including the firm's heads of risk and accounting threatened to quit, according to a person familiar with the matter.

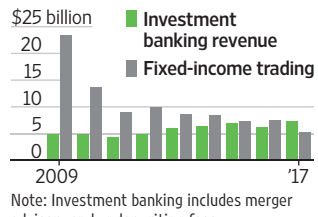
But Mr. Schwartz won over critics by overseeing an operation that avoided surprises that plagued other banks. His 18-quarter tenure as CFO is captured in pen on a pair of lime-green boxing gloves that he keeps in his office, a gift from Goldman's finance team: "18-0, all by KO."

As co-president, he helped shepherd the firm's consumer-lending initiative, Marcus, to its 2016 launch.

"It's been an incredible 21 years," he said in his final management committee meeting Monday, according to attendees. "I've gotten more out of the firm than I put in. It's been an honor."

Solomon's Kingdom

Goldman's investment bankers caught up with its bond traders during David Solomon's tenure.



Note: Investment banking includes merger advisory and underwriting fees.
Source: the company
THE WALL STREET JOURNAL.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

U.S. Allies Weigh Responses to Tariffs

Trump's planned levies on steel and aluminum have been met with defiance, conciliation

U.S. allies, balancing defiance and conciliation as they seek to avoid President Donald Trump's planned tariffs on steel and aluminum, are walking a line on how much ground to give on other White House trade grievances.

*By **Andrea Thomas** in Berlin, **Paul Vieira** in Ottawa and **David Winning** in Sydney*

JOHN MACDOUGALL/AGENCE FRANCE-PRESSE/GETTY IMAGES

German Chancellor Angela Merkel struck a more conciliatory tone on Mr. Trump's plan than has come from European Union officials.

German Chancellor Angela Merkel said Monday she wanted to overcome the trade dispute through talks rather than retaliation, striking a more conciliatory tone on Mr. Trump's plan than has come from European Union officials, who handle trade for Germany and the bloc's 27 other members.

Mr. Trump, who has accused allies in Europe and around the world of unfair trade practices, said in a tweet Monday that Commerce Secretary Wilbur Ross would start talking with EU representatives "about the large Tariffs and Barriers they use against the U.S.A. Not fair to our farmers and manufacturers."

EU trade spokesman Enrico Bravo said contacts at several levels were expected this week but U.S. criteria for exemptions remained uncertain before the tariffs take effect on March 23. EU officials have said they won't negotiate other trade issues "at gunpoint."

Mr. Trump has indicated a willingness to drop his planned tariffs of 25% on steel imports and 10% on aluminum if trading partners make concessions on other trade issues.

In a tweet Saturday, Mr. Trump said, "The European Union, wonderful countries who treat the U.S. very badly on trade, are complaining about the tariffs on steel & aluminum. If they drop their horrific barriers & tariffs on U.S. products going in, we will likewise drop ours." Mr. Trump also reiterated his objective to close America's trade deficit with the EU: "If not, we Tax Cars etc. FAIR!"

Announcing his plan on Thursday, Mr. Trump exempted Canada and Mexico while the two are renegotiating the North American Free Trade Agreement with the U.S. Mr. Trump on Friday alluded to concessions from Australia in return for an exemption.

Allied leaders, while confirming their strategic alignment with the U.S., pledged not to be cowed by threatened tariffs.

Canadian Foreign Minister Chrystia Freeland said her country wouldn't cave to new or earlier demands from the Trump administration at the Nafta negotiations to maintain the tariff exemption. "We will not be subject to any type of pressure," she said Sunday.

Australian Prime Minister Malcolm Turnbull also dismissed the idea of concessions. "Nothing of that kind," he said on Saturday. Mr. Turnbull also suggested that Australia would clinch exemptions from the U.S. and had no intention of joining potential challenges at the World Trade Organization.

At the same time, many allies rely heavily on the U.S. Japan and South Korea depend on the U.S. military for protection and the U.S. market for profits, and both have been conducting two-way talks on trade with Washington since last year.

Germany runs Europe's largest trade surplus with the U.S. and Ms. Merkel said she welcomed talks between Brussels and Washington.

"Such different views, whether there is a fair situation or not, must be overcome with talks and not, if it can be avoided, with unilateral actions," Ms. Merkel said.

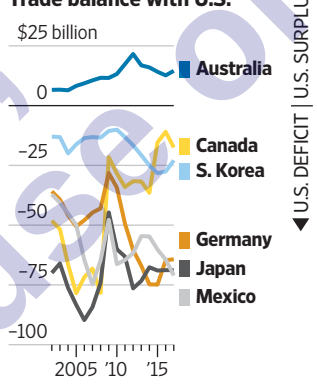
The EU has warned that if Washington doesn't grant the bloc an exemption from the planned tariffs it would impose about $3.5 billion of levies on certain American products, challenge the tariffs at the WTO, and enact measures to safeguard European industries from steel and aluminum exports diverted from U.S. markets.

◆ Nucor plans to build a steel mill in Florida..... B3

Back and Forth

The U.S. has trade deficits with a number of major partners, though the levels can fluctuate considerably.

Trade balance with U.S.



Source: U.S. Census Bureau
THE WALL STREET JOURNAL.

Europe Car Makers Threaten Reprisals

GENEVA—European auto executives are warning that if President Donald Trump imposes prohibitive tariffs on automotive imports they could be forced to curb investment in their U.S. factories in the event of a trade war, which would threaten American jobs.

Mr. Trump ordered stiff duties on steel and aluminum imports last week, while giving allies, like the European Union, a chance to negotiate exemptions. Then, at a weekend rally in Pennsylvania, the president appeared to take aim squarely at Europe, threatening to extend tariffs to the Continent's car industry. "They kill us on trade, he said. "We're going to tax Mercedes-Benz....We're going to tax BMW."

Under global trade rules set in 1994, the European Union imposes a 10% duty on cars and trucks from the U.S. and other countries, the maximum allowed. The U.S. applies a 2.5% tariff on imported passenger cars, the maximum it is allowed under the pact, and a 25% tariff on pickup trucks and work vans.

Raising U.S. tariffs on imported cars could prove trickier than targeting steel and aluminium and have unexpected effects. If European car makers react by cutting investments in their U.S. plants, it could even hurt U.S. automotive exports.

Germany's big auto makers—**Volkswagen** AG, **BMW** AG and **Daimler** AG, which makes Mercedes—have built factories in the U.S. and Mexico capable of exporting to Europe and China, as well as supplying the local market. The German manufacturers employ around 36,500 Americans at their factories in South Carolina, Alabama and Tennessee.

—William Boston

RUSSIA

Continued from Page One

an irresponsible force of instability in the world, acting with open disregard for the sovereignty of other states and the life of their citizens."

Mr. Tillerson said the U.S. would coordinate its response with that of the British government. "We agree that those responsible—both those who committed the crime and those who ordered it—must face appropriately serious consequences," he said.

The U.K. leader has a wide range of options to turn to if she chooses, from the relatively mundane—expelling diplomats and canceling meetings—to freezing Russian assets or pushing for a coordinated response from the European Union and the North Atlantic Treaty Organization.

In an ultimatum to Moscow, she demanded an explanation by the end of Tuesday and called for an immediate "full and complete disclosure" of the Novichok program to the Netherlands-based Organization for the Prohibition of Chemical Weapons watchdog. The 1997 Chemical Weapons Convention bans the manufacture and stockpiling of chemical arms.

Should Russia offer no "credible" response, Mrs. May said, the U.K. would conclude that the poisoning amounted to an unlawful use of force by the Russian state against Britain and she would return to Parliament "and set out the full range of measures that we will take in response."

"This attempted murder using a weapons-grade nerve agent in a British town was not just a crime against the Skripals," Mrs. May said. "It was an indiscriminate and reckless act against the United Kingdom, putting the lives of innocent civilians at risk, and we will not tolerate such a brazen attempt to murder innocent civilians on our soil."

Mr. Skripal and his daughter are in critical but stable condition.

Successive British governments have been accused by the media and opposition politicians of responding weakly to suspected state Russian activity on British soil, particularly in the 2006 murder of Alexander Litvinenko, a former Russian intelligence agent and Kremlin critic, who suffered a painful death after drinking tea laced with polonium-210.

In 2007 the U.K. expelled four Russian diplomats after Moscow refused to extradite the chief suspect, but after an investigation concluded nearly a decade later that the killing was likely approved by Russian President Vladimir Putin, the Conservative government imposed no new sanctions.

Any response to Mr. Skripal's poisoning will have to be significantly stronger than that, said Anthony Glees, director at the Centre for Security and Intelligence Studies at the University of Buckingham, even though it could incur an angry Russian response. "This time is different," he said. "The public will not stand for it."

"The prime minister will need to make it clear to the public that Russia could launch a cyberattack on the U.K. in response," he said. British officials blamed Russia for June's massive "Petya" cyberattack, which crippled computer networks at multinational firms. Since Britain has also been investing in cyber capabilities, Mr. Glees said, "we can now dish it out as well."

Britain, which has attracted many wealthy Russian investors in recent years, needs to ensure that Russian oligarchs "feel the pain" of being denied entry into the West instead of spending their money in London with impunity, said Tom Tugendhat, a Conservative lawmaker who heads the parliamentary foreign-affairs committee.

Expulsion of presumed spies from the Russian Embassy, curtailing official contacts, including during the coming World Cup in Russia, and calling off bilateral meetings would be "what the usual etiquette requires," said Mark Galeotti, a senior researcher at the Institute of International Relations in Prague. "Except the existing tool kit has clearly not worked."

Some members of the U.S. Congress condemned Mr. Putin's government directly.

"The free world is racing toward a crossroads with Mr. Putin and the question right now is, 'How seriously are we taking this threat?' " said Sen. Ben Sasse (R., Neb.).

—Thomas Grove in Moscow, Louise Radnofsky and Michael R. Gordon in Washington and Jenny Gross in London contributed to this article.

ANDREW MATTHEWS/ASSOCIATED PRESS

Investigators following a lead in Winterslow, England, on Monday.

Soviets Developed Novichok Agents

The class of nerve agent that British authorities believe was used to poison Sergei Skripal and his daughter in the English city of Salisbury is among the deadliest chemical weapons ever devised.

The Novichok group of nerve agents was developed in the Soviet Union in the 1970s and 1980s and was designed to be both lethal and virtually undetectable. Like other nerve agents, such as sarin and VX, Novichok compounds cause muscle spasms that can lead to respiratory failure and cardiac arrest.

Novichok can be dispersed as a liquid, aerosol or gas, according to "Weapons of Mass Destruction," a 2005 encyclopedia of chemical, biological and other weapons.

—Jason Douglas

EMBRACE

THE POSSIBILITIES OF THE PRESENT AND FUTURE WITH A HIGH-YIELD SAVINGS PROMOTION FROM HSBC

- Offer applies to new and existing HSBC Premier clients who open an HSBC Promotional Premier Savings account and fund with New Money
- This limited-time offer expires on May 11, 2018

1.30% APY

Visit your local HSBC branch today
us.hsbc.com/findbranch

HSBC Bank

Together we thrive

This offer requires each of the elements to be met. • HSBC Premier relationship required to open an HSBC Promotional Premier Savings account from January 16, 2018 through and including May 11, 2018 with the stated Annual Percentage Yield (APY) effective through September 4, 2018. Charges and fees may reduce earnings. • New Money is defined as deposits and investments not previously held by any member of the HSBC Group in the U.S. • HSBC Premier is a relationship product requiring a Premier checking account. Monthly maintenance fee will be incurred if minimum balance requirement is not maintained for your account relationship. Premier relationship requires the maintenance of $100,000 in U.S. personal deposit and investment balances to avoid a monthly maintenance fee of $50. Investment and certain insurance products, including annuities, are offered by HSBC Securities (USA) Inc. (HSI), member NYSE/FINRA/SIPC. HSI is an affiliate of HSBC Bank USA, N.A. • HSBC reserves the right to change or terminate this offer in its sole discretion. • Deposit products are offered in the U.S. by HSBC Bank USA, N.A. Member FDIC. • ©2018 HSBC Bank USA, N.A.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

IN DEPTH

Time Runs Out for Swiss Watch Industry

Watchmakers need to win a generation with no need for traditional timepieces. An unlikely executive leads the way.

By Matthew Dalton

FRED MERZ | LUNDI13 FOR THE WALL STREET JOURNAL

Hublot's retail shop in Nyon, Switzerland. Luxury watchmakers are looking for ways to court young customers.

GENEVA—You're 25 years old, basking in the glow of your first big job promotion and a hefty raise. Why not splurge on a big-ticket item?

Your father might have bought a fancy Swiss watch. But the thought doesn't occur to you—for most of your life, you've used your cellphone to check the time. Instead, you book a getaway to Costa Rica, which you document extensively on Instagram.

Swiss watchmaking executive Jean-Claude Biver wants to change that thinking. From his perch at luxury conglomerate **LVMH Moët Hennessy Louis Vuitton**, the 68-year-old has seen younger generations drift away from his centuries-old industry. He is on a mission to get them interested in watches, before it's too late.

"It's the first time we have young people not buying watches," says Mr. Biver, who leads LVMH's watch division. "Time is everywhere. Why should these kids buy something for the wrists that tells them the same thing they get everywhere?"

Executives across Switzerland's watch industry have been wrestling with the same question. How can they convince young consumers that mechanical timepieces are relevant—let alone worth the price of a car? At the same time, the tradition-bound manufacturers are fending off Apple Inc. and other tech companies that are disrupting the market with wrist gadgets that track your workouts and organize your social life.

The perils facing the Swiss industry have been laid bare by a sharp downturn starting in 2015. Chinese consumers, who drove a two-decade boom in the watch business, reined in their spending. That exposed watchmakers' growing disconnect with clientele in the West. Swiss watch exports globally fell 13% between 2014 and 2016. Last year, exports rose 2.7%, but still lagged well behind the luxury sector as a whole.

The decline has led watchmakers to lay off hundreds of workers and buy back thousands of expensive, unsold watches, prying off their jewels and melting down their metal components.

"It's not only a crisis," says Antonio Calce, chief executive of Girard Perregaux, a watchmaker based in Switzerland. "We must rethink the existing business model."

Mr. Biver has helped LVMH's watch division power through the downturn. Watch sales at the conglomerate's two main brands, TAG Heuer and Hublot, hit record highs in each of the past three years. LVMH's watches and jewelry division, which includes TAG Heuer, Hublot and Bulgari, recorded sales of €3.8 billion ($4.7 billion) last year, up 10%. Sales in 2016, one of the industry's most difficult years in decades, rose 5%.

The executive acknowledges he is an unlikely candidate to reconnect the industry to young people. Youth culture sometimes mystifies him, he says. Aside from watches, Mr. Biver's passion is making his own cheese, produced from the milk of cows grazing on his farm in the Swiss Alps. Every year, he mails the cheese—aged for months into fragrant hunks—to friends and acquaintances around the world.

Mr. Biver credits a strategy that relentlessly targets younger consumers, even at the expense of traditions that have long endeared Swiss watches to older generations. Over the past few years, LVMH's brands have enlisted Jay-Z and various street artists to design watches, signed models in their early 20s as "brand ambassadors," bought ads in the virtual world of videogames and developed the Swiss industry's first smartwatch. He compares the approach to the Roman Catholic Church's 1960s-era reforms that allowed Mass to be celebrated in vernacular languages, not just Latin, ushering the church into the modern era.

He relies on experts close by: his 17-year-old son, Pierre, his 25-year-old stepdaughter, Carolina, and their friends.

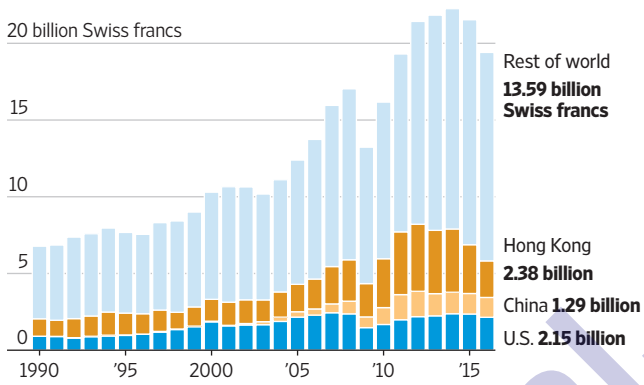
On Pierre's recommendation, Mr. Biver chose Jay-Z as a brand ambassador in 2011 and began developing a watch with the rapper. Called the Shawn Carter by Hublot, after Jay-Z's real name, it came in two models: one in black for $17,900 and the other in yellow gold for $33,900. Both feature a transparent back displaying the watch's complicated inner workings. Hublot says the watches, with 350 made in all, sold out.

The Swiss industry faced a new threat in 2014 when Apple announced its smartwatch, which can display emails, monitor physical activity and serve as an electronic wallet. Mr. Biver feared the Apple watch, priced as low as $400, could compete for customers of TAG Heuer's least expensive models, which start at $1,000 and just tell the time.

But he also saw an opportunity: If TAG Heuer developed its own smartwatch, perhaps the brand could win a new, younger customer base for its mechanical watches.

Hard Times

Swiss watch exports



Note: 1 billion Swiss francs=$1.05 billion
Source: Federation of the Swiss Watch Industry

THE WALL STREET JOURNAL.

Mr. Biver moved so fast that TAG Heuer's first smartwatch couldn't use the label "Swiss made." Because the smartwatch relied on non-Swiss suppliers, it was disqualified from using the label.

TAG Heuer unveiled its $1,500 "connected watch," which had a step counter and could display emails and run other apps, in November 2015, just months after Apple's smartwatch went on sale.

The experiment, however, failed by one metric: It didn't spark new interest in TAG Heuer's mechanical timepieces. The company made an offer allowing customers to swap the smartwatch for a mechanical one for $1,500, but fewer than 10% of buyers have made the exchange, Mr. Biver says. The first version allowed buyers to make the swap after the two-year warranty expired, while the offer applied immediately to the second one.

Other watchmakers have started to try his strategies.

Swatch Group AG is designing a smartwatch that aims to safeguard the Swiss industry's legendary self-reliance. Unlike Mr. Biver, Swatch Chief Executive Nick Hayek doesn't want to depend on global supply chains controlled by big tech companies such as Google, Intel and Qualcomm for hardware and software.

"It doesn't make sense to reproduce something that your mobile phone can do," Mr. Hayek says.

Instead, Swatch is designing its own operating system and electronics for the watch. Relying on little-known Swatch subsidiaries that produce electronic components, the company is looking to design a smartwatch that can go a month or more without charging and wouldn't become obsolete until years after most gadgets. Swatch aims to release it by the end of the year.

Chinese demand helped the industry ride out the financial crisis in 2008.

Mr. Biver got his start in Swiss watchmaking when it faced a previous existential threat: the advent of the quartz watch, an electronic timekeeping technology far more accurate and cheaper to produce than any mechanical watch. In the 1970s, Japanese watchmakers such as Seiko flooded the global market with inexpensive quartz timepieces, destroying the lower and middle tiers of the Swiss industry.

Swiss manufacturers rebranded themselves to survive, limiting their production and marketing their timepieces as the works of craftsmen. Mr. Biver, who began his watchmaking career in sales and worked his way up, and his friend Jacques Piguet purchased Blancpain, a Swiss brand on its deathbed because of the quartz revolution. Mr. Biver directed its engineers to focus on designing highly complicated mechanical watches. He also raised prices and proudly declared the company would never make a quartz watch. Revenue soon began to grow. (Blancpain is now owned by Swatch Group.)

In the late 1990s, Chinese consumers began to turbocharge the recovery of the Swiss watch industry. Enjoying newfound freedom, China's rapidly growing ranks of wealthy consumers traveled the world, buying watches in Hong Kong, Europe, Los Angeles and New York.

Chinese demand helped the Swiss industry to ride out the 2008 financial crisis. Deep recessions in the West and Japan, however, hobbled buyers in the industry's traditional markets. A new cohort of younger consumers in the U.S. and Europe saw less value in spending thousands of dollars on a watch, retailers and analysts say. The mobile phone, meanwhile, was becoming ubiquitous.

Then demand from China took a hit. The luxury watch—a favored gift to grease the wheels of business—emerged as a target of public outrage over official corruption just as China's new leader, Xi Jinping, launched a sweeping crackdown on graft. In April 2016, Mr. Xi's government boosted customs inspections and imposed fees to stop globe-trotting shoppers from bringing suitcases full of watches and other luxury goods into the country from overseas.

Back in Switzerland, Compagnie Financière Richemont SA, owner of Cartier, Vacheron Constantin and many other brands, spent more than $240 million buying back piles of unsold watches in 2016. Unsold watches continued clogging up Richemont's wholesale distribution channels into late last year, leading company executives to float the possibility of another round of buybacks.

Another LVMH watch brand, Zenith, saw its sales hit hard in the downturn. The brand had come to rely on Chinese clients for 60% of its sales.

Without Chinese shoppers driving growth, the industry's problems in its biggest traditional markets—the U.S., Europe and Japan—became conspicuous.

On a January trip to Paris, Goncalo Pereira, a 27-year-old dentist from Portugal, strolled past luxury watch boutiques on Rue St. Honoré, one of the city's famed high-end shopping streets. He wasn't looking to buy.

"It's a habit that I lost," Mr. Pereira says. "I started checking time on the iPhone and stopped using watches."

Swiss timepieces are "so expensive," says his friend Beatriz Silva, 25. "With that money I could do so many other things, like go on a trip."

The problem was particularly acute in the U.S. The market had never recovered from its pre-financial crisis peak in 2007. That left some executives questioning whether American consumers really cared about the craftsmanship that goes into Swiss watches.

Most American consumers "don't even know the difference between mechanical and quartz, I bet you," says Mr. Hayek of Swatch.

A 2017 YPulse survey found that 29% of Americans under the age of 34 owned a traditional watch. Just 3% were planning to buy one in the next year.

When younger consumers do buy watches, they often look outside Switzerland. MVMT and Shinola, both based in the U.S., and Sweden's Daniel Wellington are among the industry's fastest-growing brands. They've managed to sell millions of watches to customers under 35 by keeping prices mostly below $1,000 and crafting canny marketing campaigns that rely on social-media influencers—people with large followings on Instagram and other social networks—to tout their timepieces online.

To figure out what young consumers want, Mr. Biver continues to consult with what he calls his "youth advisory board"—his son, his stepdaughter and their friends.

Pierre and his friends sometimes give Mr. Biver tours of youth hot spots in cities around the world. A trip to Japan led the executive to begin developing a mechanical watch inspired by Japanese animation, or manga.

The seasoned watch executive has also become a social-media influencer himself, a rare feat for a man old enough to collect a Swiss pension. Mr. Biver has garnered 125,000 followers on Instagram by posting photos of himself hobnobbing with his celebrity brand ambassadors.

"How can I understand the millennials?" Mr. Biver says. "It's impossible. I'm 68. I cannot understand. But I can learn."

NOTES

Continued from Page One

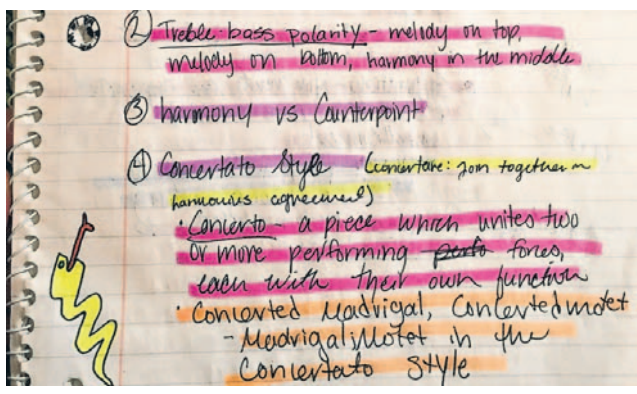
lished some shorthand, such as writing "nat" for "nation" or "national." He isn't always consistent with how he abbreviates, he said, and if he waits more than a few weeks to review the notes, deciphering the terminology can get confusing.

Professors are weary of looking out over a sea of laptops, with students' faces aglow from who knows what. Are they taking notes? Ordering sneakers on Amazon? Checking out memes?

Some lament that students' speedy typing lets them transcribe on autopilot, rather than synthesize class information.

"I got really tired of seeing them out there on their laptops and doing something other than pay attention to me," said Carol Holstead, a University of Kansas associate journalism professor. She banned laptops three years ago from her Visual Storytelling class and now tells students when it is time to pick up their pens and take notes on a particular point.

Students complain professors just don't understand how hard it is to write by hand.



ISABELLA BAHNER

Isabella Bahner, a sophomore at Oklahoma State University, maintains a complex highlighting system to organize her notes.

It's hard to know how many college classes have gone laptop-free, as schools generally leave the policies up to professors. Some students can get to graduation logged on in every lecture hall, while others bemoan that the majority of their courses have banned electronic devices.

Laptop bans come as a generation of students who didn't learn to write in script enters college. Though some public-school districts do require cursive instruction, Common Core education standards that guide many states' curriculum policies don't emphasize it.

Many public schools now encourage students to work on computers, some providing devices for them, making it all the more shocking when they enter college.

Faculty members say they make exceptions for students with disabilities, though those concessions are sometimes criticized because they "out" students who otherwise might not publicly disclose issues such as dyslexia or dysgraphia, an inability to write coherently.

University of Connecticut junior Christopher Wojick, 21, who studies landscape architecture, was tempted to lobby his sociology professor for a laptop allowance last year.

"That class was ridiculously hard to take notes in," he said, recalling the professor's speedy pace. "I was thinking, 'Hmm. Do I have a disability?' I was very close to making something up."

He thought better of it and stuck to scribbling for the rest of the semester.

Isabella Bahner, 19, a sophomore music-education major at Oklahoma State University, is sick of classmates nudging her for notes.

She has an elaborate system: a 12-pack of Sharpie pens and highlighters to organize her text in real-time, each color assigned a meaning. Red is for terms that are relatable or opposites; yellow for new vocabulary; green for people; light blue for dates. Highlight too fast, and the colors blur together.

"I definitely get a hand cramp in government and physical geography," she said.

Friends know Ms. Bahner has thorough notes, and she'll help out if they missed a class. But when someone comes calling who was at the lecture and didn't bother to pick up his pen, she draws the line.

"They're skipping or being lazy and then trying to bank off the fact that I go" and take good notes, she said.

The Cornell University student government last year unanimously passed a resolution encouraging the faculty to allow "greater freedom of student laptop usage." Charles Van Loan, an emeritus professor of computer science and faculty dean at Cornell, said there was "zero interest" from the faculty senate in having such a policy for laptop use. "Keyboard noise is not protected under the First Amendment," he said.

Noah Chovanec, 21, a senior industrial and labor-relations major who co-sponsored the resolution, said he prefers to write by hand, though it's often disorganized and carries in smudges when he writes fast. "I probably should be pre-med, with my handwriting," he said. "People have asked for my notes, and I say, 'OK, I'm going to have to translate for you.' "

Articles by professors instituting bans go viral every few months, often inspiring another set of teachers declaring tech-free zones.

Many of them point to academic studies showing that students taking computer notes retain less than those who handwrite, that multitasking makes people less effective at any single task and that grades can suffer when internet distraction is an option.

Rev. Kevin DeYoung, who teaches at the Reformed Theological Seminary in Charlotte, N.C., had one student drop his class last fall because of a no-laptop policy.

Still, he's pushing on with his device-free stance. "You're not trying to be court stenographers," he said, but rather learning how to identify important information.

This semester, Mr. DeYoung is going a step further in Pastoral Ministry, requiring students to participate in a weeklong digital fast. Afterward, they have to type a paper about the experience.

Mr. DeYoung got pushback from one unexpected source: his father, who works in radio. "He said, 'You did what? I would never take your class.' "

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

GREATER NEW YORK

Childhood Pals Among Crash Victims

By Kate King And Zolan Kanno-Youngs

The five passengers killed Sunday when the helicopter they were riding in crashed into New York City's East River included two childhood friends, a choral singer, a tourist from Argentina and a basketball enthusiast planning to get married in May.

Trevor Cadigan and Brian McDaniel, both 26 years old, were capping off a weekend of sightseeing with the helicopter tour, according to Mr. Cadigan's father, Jerry Cadigan. Daniel Thompson and Tristan Hill were employees with a New York-based sightseeing company.

And Carla Vallejos Blanco, 29, a freelance advertiser from Corrientes Province in northeast Argentina, was in New York City visiting a friend when she died in the helicopter crash, according to the Consulate General of Argentina.

On Monday, the National Transportation Safety Board sent a team of 14 to investigate the accident of the Eurocopter AS350 helicopter that was chartered for a photo tour.

The pilot was identified by a New York Police Department official as Richard Vance, 33. He was the lone survivor.

Messrs. Cadigan and McDaniel met in elementary school and graduated together from Bishop Lynch High School, a Catholic school in Dallas, Jerry Cadigan said.

Mr. McDaniel had never been to New York before, and the friends spent the weekend visiting the Statue of Liberty and other tourist sights, Mr. Cadigan said.

Trevor Cadigan, who had spent a summer studying in China and spoke Mandarin, had moved to New York in October after accepting a job as a video journalist with Business Insider.

"He really loved being in New York," Jerry Cadigan said. "He was at the ground level where he was working, but he was always trying to pitch ideas and work his way up to become a better journalist."

In addition to his father, Trevor Cadigan is survived by his older sister, Kathleen, and his mother, Nancy.

Mr. McDaniel was a sports enthusiast and loyal friend who loved the outdoors and his hometown, according to two longtime friends. Joe Masinter, a pal since middle school, said Mr. McDaniel was a spontaneous risk taker who wanted to see as much of New York City as possible during his visit.

"He was a person that needed a thrill, and getting in a helicopter is a nice little adrenaline rush," Mr. Masinter said.

An image from a video posted Sunday to Instagram by Trevor Cadigan, right, showed him on a Liberty Helicopter tour. The helicopter crashed in the East River a short time later, killing Mr. Cadigan, his friend Brian McDaniel and three other passengers. The pilot survived.

Mr. McDaniel was passionate about his job as a firefighter with the Dallas Fire-Rescue Department, Mr. Masinter said. It was an ideal job for Mr. McDaniel, who "had kind of a natural sense of knowing when someone was down or needing help or assistance or guidance," he said.

Mr. McDaniel is survived by his father, who lives in Dallas, and his mother and older brother, who reside in Colorado.

Two other men killed in Sunday's crash, Daniel Thompson and Tristan Hill, worked for Sightsy. The sightseeing company didn't immediately respond to requests for comment.

Mr. Thompson, 34, was originally from Springfield, Ill., and moved to Manhattan after graduating from Butler University in Indiana, said Adam Thompson, his cousin and an editor at The Wall Street Journal, who was speaking on behalf of the family.

He was friendly and helpful, with a dry sense of humor, Adam Thompson said. "Anytime we needed anything, he was the first to raise his hand," he said.

Daniel Thompson also was creative and enjoyed theater and music. He performed with the Young New Yorkers' Chorus, a group of singers in their 20s and 30s, his cousin said. "He was a karaoke master," he added.

Mr. Thompson is survived by his parents, who live in Illinois.

Mr. Hill, 29, originally from Reno, Nev., came to New York City with dreams of working for a professional basketball team. A spokeswoman for the Westchester Knicks, the G-League affiliate of the New York Knicks, confirmed Mr. Hill worked as a basketball-operations assistant during the 2015-16 season.

"He will be remembered by the staff and players as someone who brightened every room he entered, with a contagious smile and an unparalleled enthusiasm for life," the team said in a statement.

Mr. Hill was preparing to get married in late May, according to his youth basketball coach, Bill Ballinger.

A few years ago, Mr. Hill called Mr. Ballinger, the coach recalled, and said he wanted to host a basketball clinic in Reno. Mr. Hill brought along former high-school teammates, including some who played in the National Basketball Association.

If children didn't have enough money to participate in the clinic, Mr. Hill let them join anyway, Mr. Ballinger said, noting that "he was so proud of the fact he did that."

Jury Still Divided in Ex-Cuomo Aide Trial

By Erica Orden

Jurors in the federal corruption trial of a former aide to New York Gov. Andrew Cuomo declared for a second time they were deadlocked Monday, raising the prospect of a mistrial, but the judge overseeing the case ordered them to continue deliberating.

The 12-person jury in the case of the former aide, Joseph Percoco, said in a note to the judge Monday morning in federal court in Manhattan that they couldn't reach a unanimous verdict in the trial.

"After considering the facts and the evidence with open minds and using your instructions as a road map, we remain unable to reach a unanimous verdict," said the note, sent on the jury's seventh day of deliberations.

U.S. District Judge Valerie Caproni sent them back, saying the parties deserved their "best efforts to reach a verdict."

Mr. Percoco and three businessmen are accused of bribery, extortion and fraud for two schemes in which Mr. Percoco allegedly pocketed more than $300,000 in exchange for using his role as Mr. Cuomo's top aide to benefit the executives' companies. Mr. Cuomo, a Democrat, hasn't been accused of wrongdoing.

The jury had indicated early last week for the first time that it couldn't come to a unanimous verdict, saying in a note from the foreperson, "The only thing we seem to agree on is that we cannot agree." Three jurors also asked to be dismissed.

KEVIN HAGEN FOR THE WALL STREET JOURNAL

Joseph Percoco, front left, with his lawyer Barry Bohrer last week.

The judge at that point ordered the jury to press on. Though their deliberations were stymied by a snowstorm and shortened days in court due to the child-care requirements of one juror, they appeared to be making progress late last week, when jurors sent a flurry of notes requesting to see various pieces of evidence.

On Monday, after the jury again said it was deadlocked, prosecutors asked the judge to instruct the jury that it could render a partial verdict. But Judge Caproni declined to do so.

An attorney for one of the upstate businessmen accused of bribing Mr. Percoco asked the judge to declare a mistrial, but Mr. Percoco's own attorney didn't make such a request.

"Each of you must make your own decision," Judge Caproni told the jurors, "but listen carefully and with an open mind to each other and do not hesitate to change your mind if you become convinced that another view is correct."

The judge also informed the lawyers that she isn't considering giving the jury another instruction to keep deliberating, known as an "Allen charge," if jurors again say they cannot reach an agreement.

—Mike Vilensky contributed to this article.

Governor and de Blasio Find Plenty to Disagree About

By Mara Gay

Gov. Andrew Cuomo and Mayor Bill de Blasio are butting heads again.

As Mr. de Blasio was in Washington, D.C., on Monday to deliver remarks at the National League of Cities, Mr. Cuomo came to the city and had a lot to criticize.

The governor said Monday that the state's health department would investigate living conditions in the city's 176,000 public-housing apartments. He also reiterated his interest in declaring a state of emergency at the New York City Housing Authority.

Mr. Cuomo visited a city-run public housing complex in the Bronx, where he toured an apartment Monday and described the living conditions as "intolerable" and "disgusting."

"I'm getting involved in NYCHA because it's an emergency," Mr. Cuomo said. "This has been the most egregious situation I've ever seen."

Asked by reporters invited along on the tour if the timing of his visit related to the mayor's out-of-town trip, Mr. Cuomo said, "I don't know where the mayor is. It's none of my business."

City Hall quickly called a news conference to respond to the governor. At City Hall, First Deputy Mayor Dean Fuleihan and Deputy Mayor Alicia Glen said the governor should increase state aid to the housing authority, which is cash-strapped and has upward of $25 billion in unmet infrastructure needs.

Asked about the governor's timing, Mr. Fuleihan demurred. "We're going to keep focused on the things that we've been repeating," he said, referring to the city's request for more state aid.

The mayor's spokeswoman declined to comment further.

In recent years, Messrs. Cuomo and de Blasio, both Democrats, have publicly feuded over issues including who should pay to fix the city's subway and public hospitals and how to fund prekindergarten programs. The city's housing authority is federally funded, but has received less federal aid over the past decade and a half.

Over the weekend, Mr. de Blasio traveled to Austin, Texas, to attend the South by Southwest conference, and a U.S. Conference of Mayors meeting. On Saturday, Mr. Cuomo took to Twitter to criticize New York City schools, public housing and the jail at Rikers Island.

"Failing schools, NYCHA, Rikers, what do they all have in common?" the governor wrote on Twitter. "They have mostly minority populations and they are all being abused. I see my job as Governor to put my thumb on the scales for social justice."

JAMES KEIVOM/PRESS POOL

Bronx President Rubén Díaz Jr. and Gov. Andrew Cuomo examined a damaged bathroom wall in a public-housing apartment Monday.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

'Broadway Baby Mamas' Give Voice to Theater Moms

By Charles Passy

Cara Cooper and Jessica Rush have both built solid careers as Broadway regulars. Ms. Cooper performed in "Jersey Boys" during much of its 11-year run and has had roles in other shows ranging from "Legally Blonde" to "Elf."

Ms. Rush, another "Jersey Boys" veteran, is set to appear in the upcoming "Summer: The Donna Summer Musical."

But both actresses say their life on stage represents only one piece of their story. When they aren't working, they are raising children—in Ms. Cooper's case, a 4-year-old daughter and 1-year-old son; in Ms. Rush's case, a 3-year-old daughter.

In other words, they are 'Broadway Baby Mamas.'

That, in fact, is the name the two have given a group they formed on social media in 2015 dedicated to supporting working mothers in the New York theater community.

Now, the group, with 200-plus members, is taking the next step and hosting a 'Broadway Baby Mamas' concert on Thursday at Feinstein's/54 Below, the cabaret venue in Midtown Manhattan.

SARAH BLESENER FOR THE WALL STREET JOURNAL

Co-founders of 'Broadway Baby Mamas,' Cara Cooper, left, and Jessica Rush, and their children.

Among the performers originally slated to appear was Ruthie Ann Blumenstein. The 34-year-old Tony Award-winning actress, who goes by the stage name Ruthie Ann Miles, was involved in last week's car accident in Brooklyn's Park Slope neighborhood that claimed the lives of her 4-year-old daughter Abigail and another child. Ms. Blumenstein, who is pregnant, was injured in the accident.

The 'Broadway Baby Mamas' concert, originally a benefit for Planned Parenthood, will now raise money for Ms. Blumenstein's family.

In any case, the point of the event remains the same: To bring attention to the fact that Broadway has its share of working mothers much like any profession.

That hasn't always been true, Ms. Rush said. "It used to be that if you had children, you quit the business," she said. "Back in the day, the mentality was you couldn't make it work both ways."

It wasn't just that the eight-shows-a-week schedule was so demanding. It was that the world saw Broadway actresses as symbols of female glamour, and the role of mother didn't quite gel with that image, Ms. Rush said.

WIREIMAGE

Ruthie Ann Blumenstein with her daughter Abigail, who died in a car accident last week.

These days, however, actresses who are part of the 'Broadway Baby Mamas' group say they are encountering less of such stereotyping. In turn, that has made it easier to find work.

"I think things are changing," said Nikki Renée Daniels, an actress and mother of two who appears in "The Book of Mormon."

Still, challenges arise. Actresses say some producers balk at certain accommodations, from a boost in pay to help cover child care to larger housing arrangements for out-of-town runs.

One issue that especially vexes actresses is they can't rely on the traditional day-care system because most generally work at night. Day care is simply "not an option for us," said Ms. Cooper, adding that most actresses find nighttime care with family or sitters.

Even before the news of Ms. Blumenstein's accident, response to the 'Broadway Baby Mamas' event, with performances at 9:30 p.m. and 11:30 p.m., was strong. The group hopes to offer more programs in the future and find other ways to unite and draw attention to its community.

And 'Broadway Baby Mamas' doesn't plan to stop with performers who are mothers, says Lauren Worsham, a Tony-nominated actress who has been active with the group.

"There are stage managers, composers, casting directors, all kinds of people. It would be nice to get everybody involved," she said.

GREATER NEW YORK WATCH

MOUNT VERNON

Mayor Is Arrested in Corruption Case

The mayor of Mount Vernon, N.Y., has been arrested as part of a public corruption probe by the state attorney general's office.

Mayor Richard Thomas is accused of stealing $12,000 from his campaign committee and lying about it on his campaign finance filings. The Democrat said Monday he expects to be "fully vindicated." The prosecution didn't seek bail.

Last year, Mr. Thomas told the Journal News that his campaign filing problems were due to the poor health and eventual death of his campaign treasurer.

—Associated Press

NEW JERSEY

Pair Marry in School Where They First Met

Two high-school sweethearts in New Jersey returned to the high-school hallway where they first met nearly three decades ago for their wedding over the weekend.

Chris Gash and Jenn Sudol, who first met when they were freshmen at Clifton High School in 1989, were married Saturday at their old high school.

The ceremony was small with just family members, and officiated by Clifton Mayor James Anzaldi—who says he came out of retirement for this ceremony after retiring from wedding officiating a few years ago.

ANNE-MARIE CARUSO/THE RECORD/ASSOCIATED PRESS

Jenn Sudol and Chris Gash met in a Clifton High School hallway.

The couple says they dated briefly in high school, but went their separate ways before dating again in 2016.

—Associated Press

NEW YORK STATE

Harassment Policy Bill Passes Senate

The New York state Senate voted to overhaul government sexual harassment policies on Monday amid renewed national attention on sexual misconduct in the workplace.

The bill would create a new, uniform policy prohibiting harassment at all levels of state and local government. A newly formed independent office would be tasked with investigating complaints. The proposal also would prohibit confidential harassment settlements and allow the government to recoup the cost of settlements between victims and a state employee.

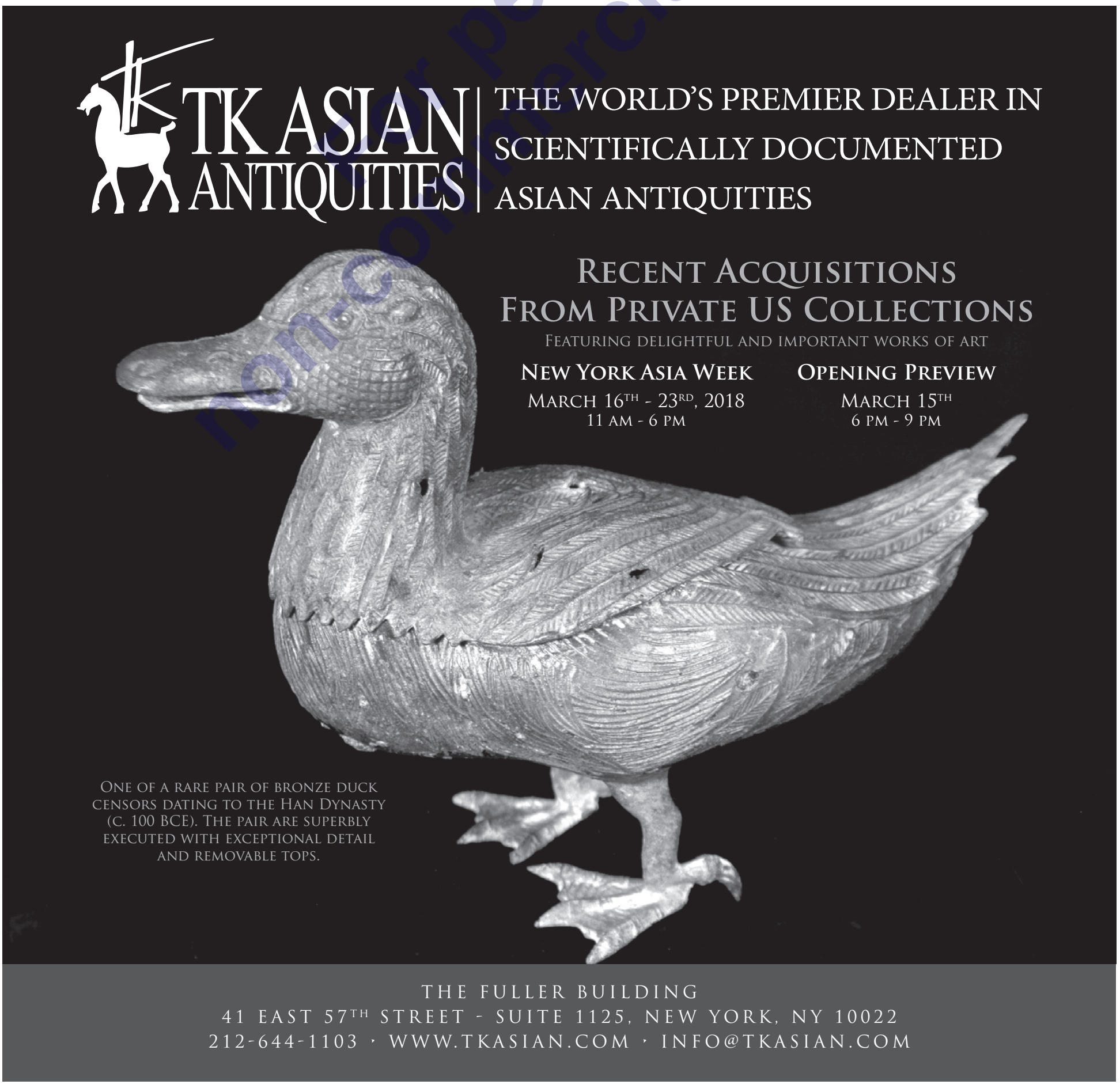
Regarding private companies, the bill would prohibit employment contracts that mandate arbitration of harassment claims.

"Too many serial sexual predators have gotten away with bad behavior over the years," said the bill's sponsor, Republican Sen. Catharine Young of Olean.

Democratic Gov. Andrew Cuomo and some Democratic legislators have proposed their own changes, indicating broad support for modifications to the current patchwork of polices covering state workers and elected officials.

The legislation passed the Senate 55-2; the two votes in opposition came from Democrats who said they wanted a stronger bill.

—Associated Press



For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

LIFE & ARTS

OPERA

Met Fires Director

MICHAEL DWYER/ASSOCIATED PRESS

The Metropolitan Opera fired James Levine, its former music director, following a sexual-misconduct investigation.

BY CHARLES PASSY

THE JAMES LEVINE era is officially over at the Metropolitan Opera.

The Met said Monday that it has fired the 74-year-old conductor, who made his debut with the company in 1971 and served as its music director from 1976 to 2016. After that, Mr. Levine held an emeritus role.

Mr. Levine's career was upended following reports last December involving multiple allegations of sexual misconduct. The incidents were alleged to have taken place over decades.

When the accusations came to light, the Met suspended its relationship with Mr. Levine and began an investigation into his behavior. On Monday, the company said in a statement the investigation "uncovered credible evidence that Mr. Levine engaged in sexually abusive and harassing conduct both before and during the period when he worked at the Met."

As a result, "it would be inappropriate and impossible for Mr. Levine to continue to work at the Met," it said.

Mr. Levine and his manager couldn't be reached for comment. Previously, Mr. Levine has called the allegations unfounded.

The Met said more than 70 people were interviewed in the course of its monthslong investigation. The company has been questioned as to why it took so long to investigate Mr. Levine's behavior, especially since the Met said it had been aware of a Lake Forest, Ill., police investigation into sexual abuse involving the conductor.

It isn't clear what kind of financial impact the situation might have on the Met. The nonprofit company, considered one of the world's most prominent cultural organizations, has been working to reverse a years-long slide at the box office and build up its endowment, which is currently put at $277 million, according to the Met's recent financial records.

Yannick Nézet-Séguin, a Canadian-born conductor who leads the Philadelphia Orchestra, is slated to become the Met's next music director. Last month, the Met announced that Mr. Nézet-Séguin, who recently turned 43, will take over his duties in the fall, two years ahead of schedule.

DAVE URBAN (2)

LIFESTYLE

The Clean-Living Generation

20-somethings, seeking control in uncertain times, find their comfort zone in crafts, meditation, vegetables

BY ELLEN BYRON

THEY DRINK LESS alcohol, eat more vegetables, cut back on meat, meditate often, enjoy knitting and make their own pour-over coffee. Meet the "clean lifers," the young adults who revel in dodging the indulgences of their elders.

"In terms of living an objectively healthy lifestyle, this group is inspiring the older generations," says Sam Calagione, chief executive and founder of Dogfish Head Craft Brewery Inc.

The brewery joins a host of other product makers targeting young adults who aspire to moderation but still might want to buy a beer, brownie pan or a packaged salad. Many young adults, having grown up during the recession, pursue healthful living as a way to find balance amid the global uncertainty that continues today.

Mr. Calagione, 48 years old, created SeaQuench Ale, a low-alcohol, low-calorie brew with middle-aged, slowing-metabolism drinkers like himself in mind. But sales took off among young, fitness-minded adults, propelling SeaQuench Ale to be Dogfish Head's fastest growing beer. "We didn't think it would be pulling in all these whippersnappers to the degree it has," says Mr. Calagione.

This year, Dogfish Head plans to target the "après-yoga" moment with its Namaste White beer, a low-alcohol brew flavored with orange and lemongrass, by holding promotional events at yoga studios. The company this year started selling the beer—named after the respectful greeting used in yoga classes—in the 12-ounce cans that young adults prefer. "The portability of cans dovetails with their active lifestyle outside, hiking, boating or skiing—the pack-in, pack-out crushability of the can is a big factor with them," says Mr. Calagione.

So-called clean lifers, typically educated 20- to 29-year-olds, pursue healthy living as a way of asserting control and finding comfort in an unstable world, says Alison Angus, an analyst for Euromonitor, a market-research firm, which this year identified the group as one of the top ten emerging forces shaping consumer behavior. "They feel they can make a difference, and this influences their spending choices," Ms. Angus wrote in a research note. "This means more saying no: no to alcohol; no to unhealthy habits; no to animal-based products and, increasingly, no to unmeasured or uninformed spending."

In the past people ages 35 to 50 were the biggest users of Calm.com Inc.'s meditation app, but recently those in their 20s have matched them in numbers. "This age group is influenced by their peers, especially on social media, and within that there's this echo chamber continuously talking about meditation, mindfulness and healthy living," says Michael Acton Smith, co-chief executive and co-founder of Calm. "Talking about how drunk you got the night before used to be a badge of honor, but this new generation would roll their eyes at that."

Mondays and Tuesdays are usually off-limits for socializing, says Royal Brown, a 27-year-old in Dallas. "Those are my yoga nights," she says. Ms. Brown, who works in sales in the publishing industry, says older colleagues sometimes rib her about ordering mocktails at work events and choosing healthy restaurants for meetings, making sure the menu has vegetarian appetizers, a selection of salads and some fish entrees. "You don't want everything to be fried," Ms. Brown says. "And fresh foods taste really good."

Consumers aged 18 to 34 increased their annual per capita consumption of vegetables by 7% last year over the year before, according to market research firm NPD Group. Meanwhile consumers aged 55 to 64 decreased their vegetable consumption by 13% over the same period.

That doesn't mean young adults expect their vegetables to be bland. Their preference for strong, creative flavors, multiple components and different textures drove the development of Earthbound Farm's organic chopped salad line, introduced last year, says Alan Ediger, chief commercial officer for the company, a unit of DanoneWave. The Asian Style Chopped Salad Kit, for example, includes tahini dressing, tamari seeds, cilantro and wonton strips to sprinkle on top of the included red cabbage, Romaine lettuce and kale. "Certainly the more sophisticated preferences are led by the millennials," says Mr. Ediger.

Young adults now use pour-over coffeemakers at twice the rate of the general population and are replacing their electric-drip machines with the simple porcelain devices, says Chris Hillman, vice president of marketing for Melitta USA, a unit of Melitta Group. "There's nothing more minimalist than a pour-over cone on top of a cup with a filter and coffee and pure water poured on top of it," he says. "It's a very Zen-like, ritualistic process."

Young knitters and crocheters, ages 18 to 34, are learning the craft at about twice the rate of those aged 35 to 54, according to a recent survey by the Craft Yarn Council, a trade group. "Young people are looking for community and yarn crafts provide that," says Jenny Bessonette, executive director of the group. Most yarn crafters say it gives them a sense of accomplishment and helps them cope with stress, she says.

Young adults seeking to balance indulgence with portion control helped drive sales of Chicago Metallic's Slice Solutions brownie pan set, which includes dividers to create 18 brownies. "Millennials and Gen Zers have a much greater sense of balance, they're less guilty about indulgences because they're better to their bodies every day," says Tom Mirabile, senior vice president of global trend and design for Lifetime Brands Inc., which owns Chicago Metallic. "With boomers, we didn't start working out until things started falling apart."

Priya Desai, an executive assistant in Oklahoma City, has attended about five "wine and paint" classes, her term for gatherings at bars that involve painting a canvas with the help from an instructor. Ms. Desai, 31, says she has no more than two glasses of white wine at these events. "I cap myself to be on the safe side, but it does make you a little more creative," she says.

When hanging out with friends, Ms. Desai prefers doing an activity. "There's a sense of accomplishment when you have a good time and you complete something," she says. Next week, she plans to go to a local bar for her first event with Plant Nite, an organization that teaches participants to make terrariums.

YOUR HEALTH | By Sumathi Reddy

DIABETES DEBATE LEAVES LITTLE CONSENSUS

WHAT'S THE appropriate blood-sugar target for patients with Type 2 diabetes?

The debate heated up on March 6, when a prominent medical association advised relaxing the standard, saying that more aggressive targets can harm patients.

The source of the dispute: the hemoglobin A1C test, a test that measures a patient's average blood-sugar, or glucose, levels. Glucose attaches to hemoglobin, a protein in red blood cells that carries oxygen.

The American College of Physicians concluded that most Type 2 diabetic patients' A1C levels should be 7% to 8%. The group, which based its recommendation on a review of existing guidelines and clinical trials, published its guidance statement in the Annals of Internal Medicine.

The American Association of Clinical Endocrinologists, American Diabetes Association and other groups were quick to criticize the ACP's new target as too high. They recommend setting A1C targets at 7% or lower.

Nearly 30 million people in the U.S. have Type 2 diabetes, a condition where blood-sugar levels become higher than normal because the body becomes resistant to insulin. Patients typically take insulin, metformin, sulfonylureas or newer, more expensive medications, including SGLT2 inhibitors, to control their blood sugar. Type 2 diabetes generally affects middle-aged and elderly people.

PHANIE/SCIENCE SOURCE

Type 2 diabetes patients use A1C tests to measure their average blood-sugar levels. The American College of Physicians has relaxed their target A1C level, prompting criticism from other doctors' groups.

(Type 1 diabetes is an autoimmune condition usually diagnosed in children in which the pancreas stops producing insulin. The guidelines don't affect those patients.)

Diabetes is a leading cause of death in the U.S. It can also cause heart disease, kidney failure and blindness.

"For most patients, an A1C between 7 and 8 seems to be the right spot where you maximize benefit and minimize burden," says Jack Ende, president of the doctors group issuing the new guidelines and an internist at the University of Pennsylvania.

Dr. Ende says the burdens of striving for a lower number include a greater risk of low blood sugar, which can cause fainting. Patients taking medication to reach a lower A1C level may face side effects and weight gain. Studies have found that the more aggressive treatment of diabetes didn't reduce deaths or complications, including heart attacks or strokes, he says.

One large, controlled trial of more than 10,000 Type 2 patients ended 18 months early. The patients in the group receiving intense therapy achieved a median A1C level of 6.4% but experienced increased rates of death and heart attacks compared with those undergoing a less intense treatment with a higher

Please see HEALTH page A10

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

ARCHITECTURE REVIEW

A Quirky New Design Museum

WES MAGYAR (3)

Above, the Kirkland Museum of Fine & Decorative Art; below, Arts & Crafts display; bottom, Art Deco furniture by Émile-Jacques Ruhlmann and Jean Dunand.

BY JULIE V. IOVINE

Denver

ALONG THE GRIDDED streets of downtown Denver, cultural buildings are amassing in a neighborhood known as the Golden Triangle Museum District. There's the original Denver Art Museum, an operatic fortress with jauntily slanted slot windows designed by the Italian architect Gio Ponti in 1971. Across the street stands the indomitably thrusting wing added in 2006 by Daniel Libeskind. Behind it, the exquisitely refined Clyfford Still Museum designed in 2011 by Brad Cloepfil of Allied Works Architecture sits with urbane aplomb.

On this chessboard of architectural repute, a more modest museum tries gamely to distinguish itself. Bright rain-slicker-yellow ceramic tubes for the exterior do the trick, in a jarring way. And, as it turns out, that's just the right posture for the idiosyncratic Kirkland Museum of Fine & Decorative Art, which opened on March 10 in this new building, designed by architect Jim Olson of Seattle-based Olson Kundig, after about 15 years in a less salubrious location.

Nothing about the Kirkland is standard issue. The museum is named for Vance Kirkland (1904-1981), one of Colorado's most eminent artists, best known for paintings of galactic-like nebulae bursting with intense color. The 38,500-square-foot museum houses not only some 1,150 of Kirkland's paintings, prints and drawings, but also about 7,000 works by 750 Coloradans and over 20,000 international decorative-art pieces. Both art and artifacts—some 6,000—are shown salon style, densely side by side as well as stacked high and low on the walls and grouped chronologically in stylistic batches. Thus Art Deco furnishings by such luminaries as Émile-Jacques Ruhlmann and Jean Dunand line the walls with surrealist and abstract paintings hanging above.

Chock-a-block captures only a part of it; the place is engorged with fascinating stuff in the more-is-more way that has more in common with the tastes of early 20th-century collectors Albert C. Barnes and Isabella Stewart Gardner than contemporary museum practice.

There are plenty of stunners, including numerous works by Frank Lloyd Wright; a rare beechwood sideboard designed in 1919 by Gerrit Rietveld, one of only about 11 known to exist; a darkly gorgeous William Morris rug (1875). Marcel Breuer's famed strapped leather Wassily Chair (1925-26) is impressive, but more intriguing is a dainty dormitory desk he designed for Bryn Mawr College in 1938. A 1907 armchair by Austrian architect Josef Hoffmann sits atop an Iranian Sarouk rug from the same period.

Rather than employing the greatest-hits approach seen at most design collections—which present top-quality works, for sure, but end up looking the same—the Kirkland runs a pulse-quickening gamut. It's a master class both in how designers developed their approach and design impulses moved through the world.

Part of the thrill of discovering the Kirkland anew in its purpose-built home is how personal it feels. That's thanks to the stewardship of founding director and curator Hugh Grant, for whom it is clearly a labor of love. Mr. Grant inherited the estate of Vance Kirkland, who had been a close friend of his parents, and has devoted his career to keeping the collection intact, with financial support from the Merle Chambers Fund (Ms. Chambers is Mr. Grant's ex-wife). Kirkland's original studio, a handsome red-brick warehouse, and its contents were relocated in their entirety to the new arts district address. The 1,384-square-foot studio now sits like a rocket booster attached to one end of the building, providing a final jolt of intense engagement with the artist.

Wisely, Mr. Olson, the architect, designed a building that aims to accommodate, not compete with, the fervid energy of the installations inside. Long and low, with a running clerestory beneath a deep overhang, the $22 million building has a distinctly residential feeling with a slight echo of Frank Lloyd Wright's Illinois Prairie Houses. Apart from the punchy yellow exterior, the design is all calm and clarity, with eight galleries off a central axis like inviting side streets off an avenue. Mr. Olson has put carefully crafted details where they count the most: The front door is bronze-colored steel with a richly tactile wood handle; the reception desk is burled walnut; the main floor is terrazzo polished to a reflective gleam.

At the same time, the building is not precious. Mr. Olson may have dotted the ceramic exterior with gold-leaf-backed glass tiles—making it glint in places as if shards of sunlight had been swallowed whole—but there are also efficient economies: A cheaper cementitious paneling is used on the building's backside, by the parking lot.

The role of architecture is sometimes to stand back, not out. So much ambitious architecture these days tries to ring all the same notes with structures that are bigger, more dazzlingly technological, more loaded with crowd-luring social spaces. The Kirkland is a welcome throwback: It does its own thing, with inimitable coloratura.

Ms. Iovine reviews architecture for the Journal.

HEALTH

Continued from page A9

A1C target. Dr. Ende says this demonstrates that aiming for an A1C level below 7.0 isn't appropriate. A 2008 study found no reductions in vascular complications in diabetic patients receiving stronger treatments.

Dr. Ende says there's no harm in patients striving for lower A1C levels if they can reach them through lifestyle changes, such as diet and exercise. "It's the excessive medication that can be problematic," he says.

Patient confusion over varying guidelines, as well as the introduction of several new, costly medications that aim to lower a patient's A1C, prompted the review.

Type 2 diabetes affects nearly 30 million people in the U.S.

Diabetes specialty groups have been quick to criticize the guidelines.

"We have big concerns about trying to lower the bar, so to speak," says Jonathan Leffert, president of the American Association of Clinical Endocrinologists and a partner at the North Texas Endocrine Center in Dallas.

"There is a lot of data to support the fact that lowering A1C levels is beneficial, particularly in younger patients with Type 2 diabetes who have a lifelong potential of complications from diabetes," he says.

Studies show that diabetes medications reduce the risk of a patient developing heart disease. They've also found that a lower A1C level decreases the risk of other complications, including nerve damage, he says.

"We say 6.5% for patients who are able to be intensively treated," Dr. Leffert says. "That doesn't mean that every patient should be at 6.5."

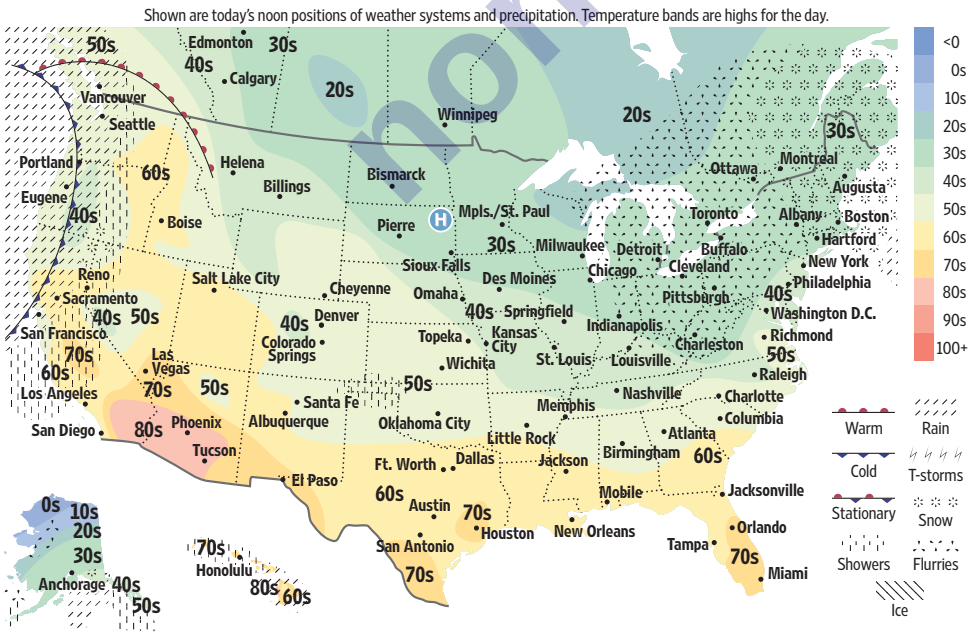
William Cefalu, chief scientific medical and mission officer for American Diabetes Association, an Arlington, Va.-based group representing patients and professionals, says his organization's guidelines will continue to recommend a target A1C level of 7%, with room for individualized therapy.

He notes that the studies supporting more aggressive treatment included older patients at high risk for developing heart disease. Studies with younger, newly diagnosed patients have found a lower rate of complications.

Weather

AccuWeather
DOWNLOAD OUR APP TODAY

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



U.S. Forecasts

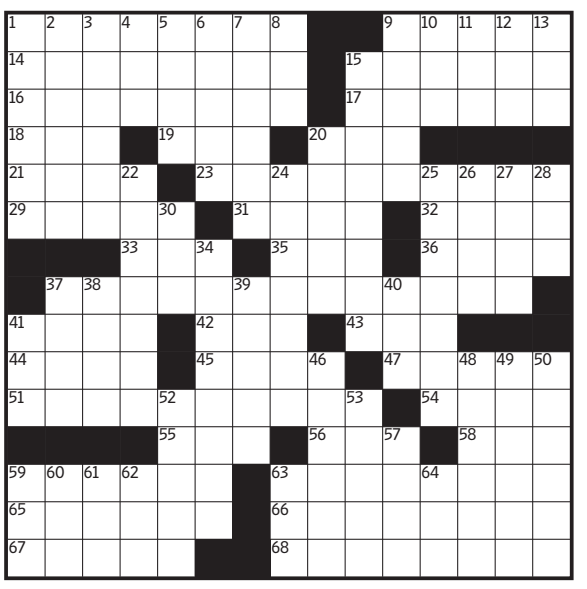
s...sunny; pc... partly cloudy; c...cloudy; sh...showers; t...t'storms; r...rain; sf...snow flurries; sn...snow; i...ice

City	Today Hi	Today Lo	Today W	Tomorrow Hi	Tomorrow Lo	Tomorrow W
Anchorage	35	26	pc	36	26	sn
Atlanta	53	31	pc	50	34	s
Austin	67	42	s	69	48	pc
Baltimore	45	28	pc	42	27	pc
Boise	68	47	c	53	39	sh
Boston	34	29	sn	41	32	sf
Burlington	35	29	sn	36	30	sn
Charlotte	53	28	pc	46	28	pc
Chicago	36	24	pc	46	28	pc
Cleveland	35	24	sf	35	28	sf
Dallas	65	40	pc	68	50	s
Denver	56	31	s	70	39	pc
Detroit	36	22	sf	39	29	pc
Honolulu	78	72	sh	80	72	sh
Houston	70	46	s	70	51	pc
Indianapolis	38	22	sf	42	31	pc
Kansas City	48	25	s	62	41	s
Las Vegas	77	60	pc	69	50	pc
Little Rock	59	31	s	60	39	s
Los Angeles	67	55	sh	65	54	c
Miami	73	52	pc	72	49	s
Milwaukee	34	23	pc	46	30	pc
Minneapolis	37	24	s	44	25	pc
Nashville	48	28	c	51	36	s
New Orleans	64	46	s	64	45	s
New York City	42	32	sn	41	30	pc
Oklahoma City	56	31	s	64	45	s
Omaha	44	27	pc	65	35	s
Orlando	70	43	pc	69	38	s
Philadelphia	44	29	pc	40	29	pc
Phoenix	84	63	pc	82	59	pc
Pittsburgh	35	24	sf	34	26	sf
Portland, Maine	33	29	sn	39	29	sf
Portland, Ore.	53	42	r	53	37	r
Sacramento	60	45	r	58	41	sh
St. Louis	43	26	pc	51	40	s
Salt Lake City	69	50	pc	67	42	c
San Francisco	59	48	r	58	47	sh
Santa Fe	59	32	c	63	37	pc
Seattle	55	43	r	50	37	r
Sioux Falls	36	23	pc	51	24	s
Wash., D.C.	48	31	pc	44	30	pc

International

City	Today Hi	Today Lo	Today W	Tomorrow Hi	Tomorrow Lo	Tomorrow W
Amsterdam	45	37	r	53	38	pc
Athens	68	53	pc	66	51	s
Baghdad	81	56	s	84	60	pc
Bangkok	92	78	s	92	77	s
Beijing	74	45	s	71	46	pc
Berlin	52	38	c	45	36	r
Brussels	46	36	r	55	42	pc
Buenos Aires	82	55	s	85	55	pc
Dubai	86	70	s	82	67	s
Dublin	47	43	pc	50	43	r
Edinburgh	48	36	pc	50	40	pc
Frankfurt	48	39	r	52	36	pc
Geneva	45	36	r	53	38	pc
Havana	74	56	pc	73	56	pc
Hong Kong	75	66	s	76	67	pc
Istanbul	59	50	pc	57	48	s
Jakarta	87	76	sh	89	75	sh
Jerusalem	67	50	pc	69	48	s
Johannesburg	78	58	pc	81	59	s
London	51	41	pc	55	46	pc
Madrid	58	46	sh	55	43	r
Manila	89	75	s	90	75	s
Melbourne	69	57	pc	72	55	pc
Mexico City	81	51	s	76	52	pc
Milan	62	42	pc	61	47	s
Moscow	37	23	pc	31	24	c
Mumbai	100	82	pc	93	82	pc
Paris	54	41	r	61	46	pc
Rio de Janeiro	90	78	pc	91	79	s
Riyadh	81	62	s	86	66	s
Rome	61	42	pc	60	46	s
San Juan	86	74	s	86	73	s
Seoul	59	45	s	63	49	s
Shanghai	75	57	pc	71	58	pc
Singapore	87	78	c	88	78	pc
Sydney	72	68	c	77	68	pc
Taipei City	80	62	s	82	66	s
Tokyo	61	50	s	65	52	s
Toronto	36	25	sf	35	25	c
Vancouver	52	39	r	47	35	r
Warsaw	55	41	c	50	34	sh
Zurich	46	37	sh	55	34	pc

The WSJ Daily Crossword | Edited by Mike Shenk



SEE FOOD | By Ned White

Across

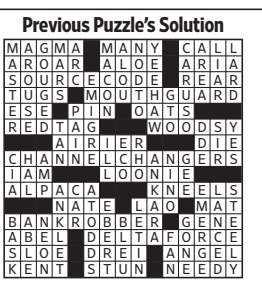
1 *Gluten-free breakfast offering from General Mills
9 Animal on Maine's flag
14 Austin Powers catchphrase
15 *With 65-Across, it's made with grounds in boiling water
16 "And then some!"
17 Shopping barefoot, perhaps
18 Book before Deut.
19 Howard in Hollywood
20 The Indians, on scoreboards
21 Vaccine type
23 *It may be topped with cream cheese frosting
29 Prison-related
31 Blacken on a grill
32 Rushed
33 Paradise in "On the Road"
35 Draft card org.
36 Horace collection
37 *Nutty Chinese restaurant dish
41 Boxcar rider
42 Drink with crumpets
43 Highlands denial
44 Slurpee alternative
45 Shopper's destination
47 Elephant befriended by Timothy Q. Mouse
51 *1-Across, for one
54 Artist Mondrian
55 Braying animal
56 Marshy area
58 Kit ___ (candy bar)
59 Patsy
63 Fire with enthusiasm
65 *See 15-Across
66 Nonmember of a group
67 Tests the weight of
68 Bygone army fare, and a way to describe the starred answers

Down

1 Like some washers
2 "Yeah, right!"
3 One who drives many others home
4 Badminton need
5 "Moonstruck" star
6 Widespread destruction
7 While
8 1970s kid, briefly
9 Impressionist Claude
10 Nocturnal hunter
11 Kimono closer
12 Male delivery
13 Contemplate
15 Fills with crayons
20 October 1929 event
22 Caught, as a calf
24 Downsize, as an enlargement
25 React to a tearjerker
26 Campaign worker
27 Zealous
28 Mag. staffers
30 ___-di-dah
34 "Hmm..."
37 2017 film whose main character is Miguel Rivera
38 First murder victim
39 Sports
40 Heel
41 Drunken sound
46 Tony Blair's party
48 Title for Nanki-Poo's father
49 Defeated
50 Web-footed mammals
52 Pet shop supply
53 Bunch of, informally
57 Basic idea
59 Univ. or coll.
60 Shoe ender
61 Not right
62 Many a time
63 Comfy shoe, briefly
64 Sundial figure

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

Previous Puzzle's Solution



For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

ESTATE OF JOAN MITCHELL (3)

Joan Mitchell's 'Piano mécanique' (1958)

ART REVIEW

When Lovers Collide

The dialogue between a pair of prickly painters during the nearly quarter century of their connection

BY KAREN WILKIN

Toronto

IN THE SUMMER of 1955, Joan Mitchell met Jean-Paul Riopelle in Paris, where the two ambitious, committed abstract painters were living and working. Mitchell (1925-1992) was beginning to be recognized in New York, while Riopelle (1923-2002), a Paris resident since 1948, connected with the Surrealists, was already fairly well known. In his native Montreal, he was notorious as one of a group of abstract painters, poets and a medical student, among others, who in 1948 issued "Refus global"—universal refusal. The progressive, anticlerical denunciation of conservatism in church-ridden Québec cost several signers their jobs and sent others into exile.

An attractive, assertive French-Canadian artist who took her seriously as a painter was obviously irresistible to Mitchell. She began dividing her time between New York and Paris, moving in with Riopelle in 1959. In 1967, Mitchell acquired what would be her permanent home, northwest of Paris, while Riopelle retained his studio outside the southwestern edge of the city. Despite frequent separations, the famously combative pair stayed together until the 1970s, when Riopelle began spending more and more time in Québec. Mitchell visited, but in 1979 they separated definitively.

"Mitchell/Riopelle: Nothing in Moderation," now at the Art Gallery of Ontario, examines the dialogue between these prickly painters during the nearly quarter century of their connection. Developed by the Musée National des Beaux-Arts du Québec, where it originated, and organized in partnership with the AGO, "Mitchell/Riopelle" provokes comparisons among more than 50 thoughtfully chosen works. As installed by the AGO curator Kenneth Brummel, the show reveals the similarities and differences between the two artists and encourages speculation about influence and independence, receptiveness and resistance—or, as the exhibition's interesting catalog puts it, "resonance and dissonance."

We begin with works made in the early 1950s, before the couple met. Mitchell's taste for loose-limbed compositions, with plenty of bare canvas and scrawled brush marks—common currency among New York painters at the time—is visible, as is her habit of concentrating on the center of the picture and ignoring the corners. Equally apparent is Riopelle's need to cover the entire canvas with thick, sharp-edged patches of paint applied with a palette-knife. In the works made after 1955, we can see both the effect of each painter on the other and the persistence of deeply ingrained preferences. In some of Riopelle's canvases from the late 1950s, his mosaic-like structure becomes more relaxed and flickers of white paint aerate the dense fabric of pigment, perhaps an equivalent of Mitchell's untouched canvas zones. (A letter from Riopelle, cited in the catalog, acknowledges that he was paying attention to her ideas at this time.) Similarly, the loosely woven, all-over web of marks in Mitchell's jaunty "Piano mécanique" (1958) suggests that she was learning from her lover's way of addressing the whole surface of the painting.

Evidence of such beneficial interchange ebbs and flows. Both painters explored the expressive potential of limiting color mainly to black, white, red and a range of grays. Both exploited the drama of large gatherings of dark strokes, floating in the center of brushy or drippy off-white fields. But Mitchell remained loyal to her fluid, calligraphic gestures and airy, shifting compositions, while Riopelle always heavily loaded his surfaces, accentuating angles and restating the vertical and horizontal edges of the canvas with block-like masses of palette-knife sweeps.

Mitchell's strengths (and perhaps Riopelle's helpful influence) are manifest in the vast triptych "Girolata" (1964), a trio of wind-blown curtains of rectangular patches, slashes and swipes celebrating the infinite nuances of grays, rose-gray and a lot of unnameable pearly hues. Her positive effect on Riopelle may be evident in his "Large Triptych" (1964); the center panel shares the loose calligraphy and tender color of "Girolata," flanked, however, by spiky compositions with dramatic light and dark contrasts.

Old habits die hard. After the mid-1970s, when Riopelle began spending extended amounts of time in Québec, his paintings became clenched and anxious, made with dense accumulations of staccato, repetitive marks and occasional quirky drawing. By contrast, Mitchell's monumental 1976 triptych "Canada," perhaps a response to remembered Québec landscapes, radiates relaxed authority. "Canada" stitches abrupt strokes, drips and slashes into an irregular patchwork of moody blues, grays, dull red, and apricot, penetrated by luminous off-whites. In comparison to Mitchell's, Riopelle's works of the mid- and late-1970s, some inspired by trips to Canada's north, appear—well—cranky: mainly black and white, clotted canvases whose ham-fisted drawing seems to pay homage to Inuit art, pictographs and similar artifacts. (I realize I risk being refused future entry into Canada for saying this.)

Mitchell's 1978 diptych "Tilleul" (linden tree) elegantly ends the Toronto installation. A lacy cascade of off-black marks that magically intermingle with an expanse of pale celadon and silver, "Tilleul" gives us Mitchell at her best, but may owe something to Riopelle's example in its attention to every part of the surface. The couple's relationship was eroding, but Mitchell had obviously learned all she needed to from her French-Canadian artist-lover.

Mitchell/Riopelle: Nothing in Moderation
Art Gallery of Ontario, through May 6

Ms. Wilkin is an independent curator and critic.

Jean-Paul Riopelle's 'Landing' (1958), above; the artists in Chicago around 1957, right.

Statehood Quarters
D.C. & U.S. Territories
National Park Quarters

COMPLETE *Uncirculated*
97-Coin Collection
Never to be minted again!

Don't miss a unique event in U.S. coinage history! Since 1999, America's quarters have featured special statehood, territory and national park designs – ***struck for 10 weeks each and then never again!*** You can still get ALL 97 quarters released to date in mint Uncirculated condition for only $29.95 – **85% OFF** the regular price of $~~204.00~~, *plus* **FREE SHIPPING**.

SAVE 85%

Order within 30 days and also get a **FREE** Uncirculated 4-coin set of 2009 Lincoln Bicentennial cents!

You'll also receive our fully illustrated catalog, plus other fascinating selections from our Free Examination Coins-on-Approval Service, from which you may purchase any or none of the coins – return balance in 15 days – with option to cancel at any time. **Order now and SAVE 85%!**

Mail coupon or order at www.LittletonCoin.com/specials

45-Day Money Back Guarantee of Satisfaction

Yours FREE! *when you order within 30 days*

©2018 LCC, Inc.

SPECIAL OFFER FOR NEW CUSTOMERS ONLY

☒ **YES!** Please send me an Uncirculated 97-Coin Set of 1999-2008 Statehood, 2009 D.C. & U.S. Territories and 2010-Date National Park Quarters for ONLY $29.95 – reg. $~~204.00~~, plus FREE Shipping (limit 1 set). Also send my **FREE** Lincoln Bicentennial 4-coin set (one per customer, please).

QTY	DESCRIPTION	PRICE	TOTAL
1	97-Coin Quarter Set *(limit 1 set)*	$29.95	$29.95
	Statehood Display Folders – SAVE Over 10%	$3.50	
	National Park Display Folders – SAVE Over 10%	$3.50	
	FREE Shipping! Merchandise **TOTAL $**		

ORDERS MUST BE RECEIVED WITHIN 30 DAYS

Method of payment: ❑ Check or Money Order payable to Littleton Coin Company

Charge my: ❑ VISA ❑ MC ❑ AMEX ❑ DISC

Card No. Exp. Date ___/___

Name ____ Please print clearly
Address ____ Apt# ____
City ____ State ____ Zip ____
E-Mail ____

You SAVE! Made in USA
Add Custom Display Folders **SAVE Over 10%** (reg. ~~$3.95~~)
• Statehood, D.C. & U.S. Territories Quarter Folders
• America's National Park Quarter Folders

Please send coupon to:
Littleton Coin Co.®, Dept. 4UE401
1309 Mt. Eustis Rd, Littleton NH 03561-3737
America's Favorite Coin Source • TRUSTED SINCE 1945

VOCIER

The world's first zero-crease carry-on

SAVE $25
Code SV25

"Anyone who flies frequently will see why this new carry-on is a sensation"

Jury German Design Award

VOCIER.com

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

SPORTS

MARCH MADNESS | By Jason Gay

Basketball, Brackets and Buffett

March Madness is here, and save yourself the trouble: Instead of joining the office pool, simply wander into the break room and set fire to a pile of cash in the kitchen sink.

See, I saved you all that anxiety. You're feeling better already. And you didn't have to watch Duke. Or find truTV with the remote.

Am I grumpy that Wisconsin isn't in the NCAA men's basketball tournament for the first time since 1998? Sure! It's even worse that those creeps from Michigan won the Big Ten tournament and have a No. 3 seed. There's a lot of Wolverine swagger at the Journal. It's terrible. I've thought about flying back to South Korea to watch curling.

But I'll stay. It doesn't feel like March unless your friends are walking around talking about Gonzaga's KenPom probability ratings.

As always, I have some rules:

1. This year, I'm instituting an $80 fine for saying the word "bracketology" in public. That's right, I've upped the penalty from last year, because no one's learned their lesson. "Bracketology" is not a word! It's not a science! You did not apply science to make your bracket. You picked the schools with names you recognized, and then asked your dog to do the entire West bracket.

2. A gentle reminder that the smartest college basketball minds in your pool will be eliminated by midday Friday afternoon. Instead, your pool will be won by someone who asked which team Andy Roddick plays for.

3. I don't know why Thursday and Friday are not considered holidays in the American calendar. This nation's workforce gets more done on Christmas morning than it does in the opening round of the NCAA tournament. If you're due to have a baby at the end of the week, I'd move it up to Wednesday. Or hang on until Monday. Do you really want your doctor in a mood because Tennessee lost?

4. I don't actually think that Tennessee will lose in the opening rounds. I have them going into the second weekend. Of course, I completely expect to lose in my pool to a parrot.

5. The Duke people in the office are quiet. I don't know exactly what that means. They're just quiet. I'm not complaining.

6. My boss is fired up about the fact that the "play-in games" on Tuesday and Wednesday—oh, I'm sorry, "First Four"—have traditional heavies like UCLA and Syracuse. The whole point of the First Four, he thinks, is to reward outsider small conference teams with a shot at making the big dance. I respectfully disagree. The whole point of the First Four is to wring some more money out of television partners, which is exactly why you see fancy names like the Bruins and the Orange in the mix. (UPDATE: My boss says he was arguing the same thing (it's just for TV) as a reason to eliminate the play-in round, and also that I am a moron, and fired.)

7. I take it that everyone was disappointed by Sunday's selection show, in which they had the cockamamie idea to reveal the list of qualified schools, before telling everyone where they'd play. Sounds terrible—but I skipped the selection show. I do not understand why anyone would suffer through a show— all you have to do is wait an hour, and you can see the entire result on a sheet of paper.

8. I feel the same way about the Oscars and weddings.

9. Remember, the true MVPs of the tournament are not the coaches or the athletes, but the NCAA's copyright protection lawyers. I speak from experience here: if you say "March Madness" "Sweet Sixteen" or "Final Four" without a handwritten note from NCAA president Mark Emmert, a crew of NCAA goons will barge down your front door and tickle you until you agree to never say those words without expressed permission.

10. MARCH MADNESS, SWEET 16, FINAL FOUR—THEY BELONG TO THE PEOPLE. I DARE YOU, NCAA. I HAVE DRUNK POWERADE FROM AN UNLICENSED CAT MUG—AND I'LL DO IT AGAIN.

11. I keep reading that there will be unease around this NCAA tournament because of the ongoing FBI investigation into bribery and fraud. LOL. It seems to me that everyone's resumed their usual enthusiasm. Are you going to get your office bracket and say, *Oh, I was going to fill this out, but I'm very concerned about the looming federal charges.* No! You're going to fill out your bracket and set your money on fire. The NCAA knows this. That billion dollar check for TV rights for the tournament—it's still coming! That's why you have to take any promises of institutional reform with a grain of salt. Are things in men's college hoop more messed up than usual? Does the public know more about the skulduggery below the surface? Sure. But this is still a cartel—and a sweet racket. And we haven't even gotten to the giant underground economy which includes all of our office pools. Think about that—on the off chance that you win your pool, you're going to make more money off the Final Four *than any player who actually played in the Final Four.*

12. Man, I really am grumpy Wisconsin isn't in this thing.

13. With the Badgers out, I've adopted two teams: the Long Island University Blackbirds, who play down the street from me in Brooklyn, and the University of Maryland, Baltimore County Retrievers, because my in-laws are all from Baltimore. I apologize to both schools in advance. You're doomed.

14. If I could wave a wand, what I'd really want is for the TV people to cool it on all their coach worshiping. The way they gush, it's as if the coaches can walk on water. And we know there's only one coach who can walk on water: Bob Huggins.

15. Once more: Warren Buffett offering employees $1 million a year for life for a perfect bracket until the Sweet 16—isn't Warren Buffett being generous. It's Warren Buffett laughing at all of us, filling out these silly things. That's why he's Warren Buffett, and I'm eating doughnuts on the subway.

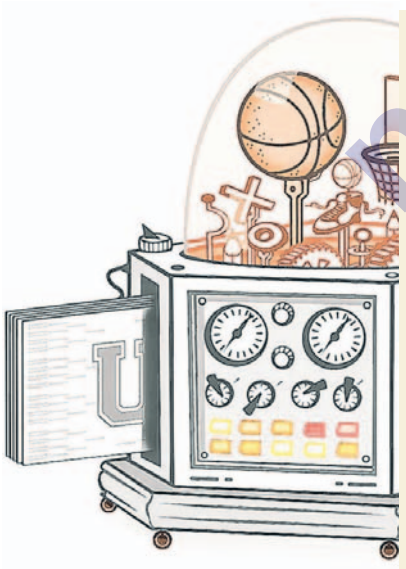
16. Warren's throwing in another million if Creighton wins the tournament.

17. *"Risk comes from not knowing what you're doing."*—Warren Buffett

18. Trust Warren.

Warren Buffett is offering employees $1 million for a perfect bracket until the Sweet 16. If Creighton wins the tournament, he'll throw in another $1 million.

T-B: VINCENT CARCHIETTA/REUTERS; NATI HARNIK/ASSOCIATED PRESS



WSJ's Madness Machine Can Fill Out Your Bracket

It's completely OK if you saw the NCAA tournament bracket and realized you didn't have the slightest clue about anything that happened this season.

We're here to help because nobody reasonably expects you to have memorized the statistical profiles of every college basketball team. The Wall Street Journal's Madness Machine can create a complete, customized bracket based on your own preferences.

Do you like teams that can drain threes? The machine will favor teams like Villanova and Davidson. Do you favor teams with a lot of experience? The machine will boost North Carolina. If you want to be the crazy person, you can adjust the Madness Meter to select more upsets. There's even an Anti-Duke Bias button you can click if you hate those pesky Blue Devils--and an Anti-Corruption Bias if you're uneasy about the teams linked to the federal investigation probing college basketball. Go to WSJ.com/Sports to make your bracket now. —*Andrew Beaton*

THE COUNT

IT ISN'T MADNESS TO PREDICT THESE UPSETS

There are lots of fields in which you'd be wise to remember that past performance does not predict future results. And then there is the NCAA tournament. The wisest thing you can do this week as you fill out your bracket is to study the past for clues about the future and behave accordingly. Or you can listen to someone who's already done all that tedious work for you.

John Ezekowitz, a credit analyst by day who moonlights as The Wall Street Journal's expert upsetologist, has analyzed every matchup in the round-of-64 involving No. 11, 12, 13 and 14 seeds—teams in the sweet spot of improbable and impossible—over the last nine years to build a model with the noble goal of identifyng potential Cinderellas.

So which teams does his model like? No. 11 seed Arizona State and No. 12 seed New Mexico State.

But the better question is why. It's not because Ezekowitz has a deep-seated hatred of Horned Frogs. It's because of specific traits in underdogs that have been involved in the biggest NCAA tournament upsets since the sport pushed the 3-point line back to its current distance.

He says the single most powerful upset predictor is how much a team values its possessions. The schools that have found unlikely success shrink their small margin for error in the NCAA tournament. They protect the ball on offense, force turnovers on defense and create extra opportunities with offensive rebounds.

That's why the model likes Arizona State and New Mexico State. The Sun Devils rarely commit turnovers (they rank 10th of 351 teams in the country) and could be playing a Texas Christian team that rarely forces turnovers (232nd). But you may want to use pencil when writing Arizona State into the next round: They still have to beat Syracuse in a First Four game.

Feel free to use pen for New Mexico State. Ezekowitz's model favors the Aggies because they crash the boards on both ends while Clemson is merely average at forcing turnovers and committing turnovers.

This is a weird year for the model. It usually spits out several upsets, but there were fewer glaring mistakes by the selection committee in terms of seeding No. 3, 4, 5 and 6 teams this year, which means there were fewer opportunities to exploit.

But we know there won't be only two upsets on Thursday and Friday.

Ezekowitz also likes No. 11 Loyola-Chicago knocking off No. 6 Miami, which happens to be the most popular upset, according to the win probabilities from Ken Pomeroy, FiveThirtyEight and Las Vegas oddsmakers. The wisdom of the crowd, or at least the wisdom of people who enter ESPN's bracket contest, suggests picking No. 11 San Diego State over No. 6 Houston. Ezekowitz's model is much higher on No. 14 seed Montana over No. 3 Michigan than any other system. And don't sleep on No. 12 Davidson over No. 5 Kentucky.

This is the problem with studying the bracket. By the time you're done, you can talk yourself into pretty much any upset, even something as outlandish as No. 16 seed Penn beating No. 1 seed Kansas.

Ezekowitz's approach is more conservative—which is why it's so effective. There have been 46 upsets by teams seeded 11th through 14th in the years that Ezekowitz's model takes into account. He would have predicted 28, and he would have been right about 18 of those risky predictions. Which is why it's a smart bet that past performance will be indicative of results in the very near future. —*Ben Cohen*

Arizona State's De'Quon Lake

ISAAC BREKKEN/ASSOCIATED PRESS

The Not-So Crazy Upsets

The teams seeded 11-14 most likely to win their first-round game based on the analysis of John Ezekowitz—and how that compares to the projections of Ken Pomeroy, FiveThirtyEight, public opinion on ESPN and Las Vegas oddsmakers.

GAME	EZE	KEN	538	ESPN	VEGAS
Arizona St. (11) over TCU (6)	57%	39%	16%	22%	N/A
N. Mex. St. (12) over Clemson (5)	52%	34%	38%	22%	35%
Loyola-Chi. (11) over Miami (6)	49%	49%	40%	26%	44%
Montana (14) over Michigan (3)	43%	24%	11%	5%	14%
Syracuse (11) over TCU (6)	40%	38%	27%	22%	N/A
Davidson (12) over Kentucky (5)	28%	38%	24%	15%	31%
St. Bona. (11) over Florida (6)	25%	32%	13%	14%	N/A
UNC-Green (13) over Gonzaga (4)	22%	17%	8%	6%	13%
Buffalo (13) over Arizona (4)	15%	28%	15%	8%	22%

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

OPINION

Getting to Yes With Turkey

GLOBAL VIEW
By Walter Russell Mead

The post-Obama Middle East is a grim and ugly place: the brutal wars in Syria, the deepened chaos in Iraq, the shambolic Libya mess, the vaulting ambition of Iran, the intrusion of Russia, the smoldering failure of the Arab Spring, and the collapse of the U.S.-Turkish relationship.

President Obama cannot be blamed for everything that went wrong in the Middle East on his watch. But it's clear the Trump administration inherited an incoherent strategy, a discredited democracy agenda, alienated allies, and an American public so traumatized by successive American policy misfires that it has become skeptical about any American engagement in the region.

There's a common interest in countering the Russian-Iranian axis in Syria.

It is not a surprise under these circumstances that the Trump administration wants to change course, or that its efforts to do so have enjoyed significant support in the region. If the rise of Iran has created a crisis in the Middle East, it has also created a great opportunity. Israel and most of the Arab world are so horrified by the Iranian threat, and so unnerved by the vagaries of recent American policy, that the new administration has been able to repair relations with many old allies relatively quickly.

But if relations with Israel and Arab states have rapidly warmed, relations with Turkey have deteriorated dangerously—so much that the U.S. is looking for alternatives to its important air base in Incirlik. Richard Haass, president of the Council on Foreign Relations, has even called for the removal of American nuclear weapons from the country.

The Turkish alliance has been a pillar of America's Middle East strategy since the Truman administration; indeed, it was Britain's decision to end aid to Turkey and Greece in February 1947 that prompted the U.S. strategic review culminating in the Truman Doctrine and the Marshall Plan. With Iran hostile and the Arab world in disarray, Turkey is more important than ever to American policy.

Yet rebuilding relations with Turkey will force the U.S. to make some hard choices. One is about human rights. As with President Abdel Fattah Al Sisi in Egypt, a close relationship with Turkish President Recep Tayyip Erdogan would raise difficult questions for America's human-rights policy. Past policy failures in the Middle East make it hard for Americans to push a democracy and human-rights agenda in the region credibly, but Wilsonians—a significant part of any American political coalition interested in strong leadership abroad—are appalled by the evident repression in Turkey since the failed coup. If the Trump administration wants a close strategic relationship with Mr. Erdogan, it will have to accept some bitter and wounding criticism from human-rights advocates at home and in Europe.

KAYHAN OZER/ASSOCIATED PRESS

President Erdogan in Istanbul.

The second choice is even harder. Syrian Kurds have been America's most useful partners in the war against ISIS. But their politics and ambitions directly conflict with the policy of Mr. Erdogan, who considers Syrian Kurds to be allies of terrorist forces in Turkey. Turkey bears a significant portion of the blame for the continuing conflict with the PKK, the Kurdish organization that has been fighting the Turkish government since 1984. Nevertheless, if the U.S. wants Turkey's help, it will have to address Turkish concerns about America's alliance with Syrian Kurds more effectively.

It would be a mistake to be too pessimistic about the U.S.-Turkish alliance. While relations are frosty, the core interests of the two countries, which diverged after the collapse of the Soviet Union, are again closely aligned. The Russian-Iranian partnership now dominating Syria and upending the regional balance of power is Turkey's worst nightmare come true. Turkish leaders know their country can't counter this transformation without American support.

The Middle East coalition the Trump administration needs to rebuild must inevitably contain countries that don't like or trust one another. Egypt and Saudi Arabia see Turkey's support for the Muslim Brotherhood as a strategic threat. Mr. Erdogan and Israeli Prime Minister Benjamin Netanyahu hold each other in contempt. The recent warming of relations between Israel and the Gulf states is both temporary and fragile.

The U.S., and only the U.S., can hold this coalition together. Without it, there is no viable path for containing Iran. Turkey is a key member of any realistic coalition to rebalance the Middle East; getting to yes with Mr. Erdogan is one of the administration's most crucial challenges in the region.

The NCAA Cannot Fix College Sports

MAIN STREET
By William McGurn

On Sunday the National Collegiate Athletic Association announced the 68 men's basketball teams that made it into this year's Division I tournament. On April 2 in San Antonio, one team will emerge as national champs.

In theory, that is. In reality, today's NCAA guarantees the game is never over no matter how the score turns out.

In Orwell's "1984," Winston Smith throws news articles into the memory hole when past truths no longer suit Big Brother's present needs. The NCAA version is called "vacating wins." Although intended to punish schools for rules violations, the idea that an NCAA decree can erase what was won on a playing field is at once creepy and ridiculous.

Louisville is the most recent university to find its wins thrown down the memory hole. After the NCAA determined that a member of the men's basketball coaching staff had provided prostitutes to players and recruits, it stripped the team of 123 victories—including its 2013 national championship title.

What an appalling way for institutions devoted to truth to right wrongs. And it leaves unaddressed the NCAA's real problem—the professional nature of college athletics, especially the two big revenue sports, men's basketball and football. The NCAA's website claims it "prioritizes academics so student-athletes get the most out of their education." Does anyone believe that?

As critic after critic has noted, in college basketball today the coaches pull in millions, the schools pull in millions, and the NCAA pulls in millions—while the athletes on whom it all depends get very little. For example, March Madness now provides the NCAA with the bulk of its revenue, nearly a billion dollars from TV rights, marketing rights and ticket sales.

The disparity between what the athletes get and what everyone else gets has led to lawsuits and appeals for the National Labor Relations Board to intervene. The economists' answer is simple: just pay the players and eliminate the pretense that they are actually students. Alas, the economists' answer is untenable, because the appeal of big-time college sports is built on the fiction that the athletes are, in fact, students.

Which is why it's such a scandal that so many athletes never see a degree, or get one that isn't worth anything. Although the NCAA says graduation rates for college athletes are improving, not everyone is buying the happy spin. For example, a study from the University of Southern California's Race and Equity Center concentrated on black male athletes from the 65 schools that dominate the NCAA's Division I sports. It found that only 55.2% of these athletes graduated within six years.

To put it another way: At a time when the NCAA and the universities are profiting mightily from these young men, little more than half will likely see a college degree.

College sports may be one of the few areas in American life that would be improved if academics had more say. Richard Vedder, an emeritus professor of economics at Ohio University, reminds us that there was a day when college coaches didn't always have the final say, even on sports. "In 1961," Mr. Vedder points out, "an undefeated Ohio State team won the Big Ten Championship and was eligible to go to the Rose Bowl but the invitation was rejected by the faculty council." A Toledo Blade story at the time reported that Big Ten regulations gave the faculty council the "final authority in academic matters."

Student athletics may be the one area that would benefit from academics in charge.

The idea that the NCAA can reform itself, Mr. Vedder says, is absurd. Such a change would have to start with a college president brave enough to insist that what an athlete does in the classroom is more important than what he does on the playing field. But even Mr. Vedder concedes that the challenge today is probably too great for one college president to pull off on his own.

That's why he has hope for the conferences. Just as the Ivy League has largely maintained its academic integrity, he believes other conferences—the Big Ten, for example, which includes academic stalwarts Northwestern and Michigan—could go their own way and form an association run by school officials who set their standards high. "The recent Big Ten network deal suggests they could work out their own arrangements with television," Mr. Vedder says.

Today the dollars speak to what the universities value. To take just one example from this year's top seeds: The University of Virginia will pays its incoming president $750,000 in salary plus $150,000 in deferred compensation, against $2.1 million a year for men's basketball coach Tony Bennett.

Of course, the idea that players are giving all and getting nothing in return is true only if the cost of their education—roughly $83,000 in tuition plus room, board and fees for a four-year state university, and $187,800 for a private one, according to the College Board—is ignored, along with their increased lifetime earnings. The athlete's exchange with his university is worth it only if his degree is an honest one and within reach of those admitted.

College sports has not done well relying on the NCAA for integrity. Maybe what we need is college presidents with enough pride and backbone to set their own academic standards higher.

Write to mcgurn@wsj.com.

Why Is Russian Gas in Boston Harbor?

By Drew Johnson

A tanker arrived in Boston Harbor carrying natural gas that would keep residents' homes warm for the rest of the winter. The late-January delivery came from Siberia. Why are some parts of America reliant on Russian natural gas, especially when domestic gas production has surged?

The problem is entirely political. In 2016 officials in Massachusetts and New Hampshire blocked financing for the $3 billion Access Northeast Pipeline, which would have reliably provided fuel to three New England states. That same year a report from Massachusetts Attorney General Maura Healey's office claimed the state could "maintain electric reliability" without new infrastructure. The Russian gas heating Boston homes this winter suggests otherwise.

Politicians are opposing pipeline projects to curry favor with increasingly radical environmentalists. The activist group 350.org is organizing online campaigns to oppose every new coal, oil, and natural-gas project. Greenpeace claims it is time to leave fossil fuels "where they belong: in the ground."

Environmentalists' war on fossil fuels helps Vladimir Putin.

The Sierra Club is pushing the U.S. to abandon all fossil fuels, claiming the country is ready for 100% renewable energy.

These ideas might sound nice, but they would hurt America's most vulnerable citizens. Blocking natural-gas pipelines needlessly inflates consumers' energy bills and destabilizes the electrical grid.

Natural gas and coal are responsible for about 64% of America's electrical power. Only 15% comes from renewables. Because of its relatively low price, natural gas is the primary energy source for half of American homes. Since 2006, when the fracking revolution began, natural-gas prices have dropped 27% for residential consumers.

Forcing utilities to rely on far more expensive renewables would mean skyrocketing bills. Families with low incomes would be forced to choose between keeping the lights on and putting food on the table.

A 100% renewable future would likely be technologically impossible. A 2017 analysis in the journal Renewable and Sustainable Energy Reviews concluded: "In all individual cases and across the aggregated evidence, the case for feasibility is inadequate."

The ultimate irony is that natural-gas pipelines help the environment. With more pipelines, power plants could switch from coal to natural gas, which emits up to 60% less CO2.

Many have already switched, which explains why carbon emissions from power plants have dropped by 25% since 2005, according to the U.S. Energy Information Administration. Emissions of methane, a greenhouse gas that traps 30 times as much heat in the atmosphere as carbon dioxide does, have fallen 16% since 1990. Natural-gas production has doubled in that period.

The anti-fossil-fuels campaign is neither realistic nor environmentally sound. Blocking pipelines and other energy infrastructure projects raises costs on American families while forcing them to rely on Vladimir Putin to heat their homes.

Mr. Johnson is a senior scholar at the Taxpayers Protection Alliance.

BOOKSHELF | By Laura Vanderkam

Why Tomorrow Can Be Forever

Soon: An Overdue History of Procrastination

By Andrew Santella
(Dey St., 197 pages, $25.99)

Let's say that an editor has assigned you a book to review, with your copy due March 5. If you wait until March 5 to start writing, something might come up. Your laptop melts down. Your baby sitter calls in sick. You find yourself with nothing much to say. Result: You turn in something late, or something bad. Wouldn't it be better to sit down and compose a draft a week before? Now you'll be in a position to contend with unforeseen obstacles and have time for polishing with no danger of missing the deadline. You're happy. Your editor is happy. Even a few readers may be happy.

Andrew Santella is not convinced. In "Soon: An Overdue History of Procrastination," Mr. Santella attempts to explain a very different mind-set. A Brooklyn-based journalist, Mr. Santella is a self-proclaimed, life-long procrastinator. "When it is most crucial that I get something done," he writes, "I become heroically determined to do just about anything *but* that thing."

But he is not embarrassed by this confession. While plenty of self-help books offer advice to those putting off to tomorrow what could be done today, Mr. Santella isn't interested in cures. He notes that his aim in writing "Soon" isn't "to end my habit but to justify it, to excuse it." He argues that in many cases eminent figures have done great work while putting off work they were supposed to be doing. Procrastination might, for some people, be part of innovation and the creative process.

At least that's the idea. "Soon" is, if nothing else, well researched. ("Research is everyone's favorite way to put off actual writing.") Readers learn about Charles Darwin's long delay between his voyage to the Galápagos Islands and the actual publication of "On the Origin of Species." In the meantime, he spent a lot of time studying barnacles. A lot of time. Even Darwin admitted that it was puttering—perhaps the 19th-century equivalent of looking at Google street views of neighborhoods you never plan to visit. Leonardo da Vinci is remembered for his genius. Mr. Santella notes that he also exasperated his patrons by delaying commissions, sometimes to the point where the patrons gave up.

Perhaps treating his own book deadline with a similar reverence, Mr. Santella twice visits New Orleans to see the shrine of St. Expedite, the patron saint called upon to fix procrastinators. Why twice? He didn't get around to doing his interviews during the first visit. He gleefully observes that the possibly fictional Expedite is nowhere near as influential as the real St. Augustine, who famously prayed for chastity and continence—"but not yet."

Procrastination may be rooted in anxiety. Better to fail because we know we didn't try than to try our hardest and still fail.

Mr. Santella likes this rebellious aspect of procrastination. Sometimes it is heroic rebellion. Slaves slowed their work as a form of defiance. Sometimes it is existential. Procrastinators put off what they are "supposed" to be doing, but, as Mr. Santella asks: "Who's to say that the daily scramble up the greased ramp of achievement isn't itself a pitiable delusion, on scales both personal and societal?"

Of procrastination Mr. Santella writes: "I like that it seems to bother so many people." The problem is that it imposes a cost on the procrastinator too. The definition, in psychology, is not just delaying work. It is, Mr. Santella concedes, "postponement undertaken despite expecting to be worse off for the delay." Leonardo and Darwin seem like instructive case studies—achieving greatness despite willful dawdling—but history is full of other procrastinators who you've never heard of because they didn't finish their work. Putting things off until tomorrow means you always risk dying with your potential unrealized.

Perhaps this is no big deal—few of us will ever achieve everything we could, and what we do achieve may well have no great claim on the world's attention—but in his zeal to justify his habit Mr. Santella sometimes breezes past the dark aspects of procrastination. He notes a study finding that students who were told that an exam was meaningless didn't procrastinate when it came to preparing for it. It was only when they were told that the test was a meaningful evaluation of their abilities that they delayed. The logical conclusion is that procrastination is rooted in anxiety. Better to fail because we know we didn't try than to try our hardest and still fail.

Mr. Santella acknowledges the evasiveness of this strategy—"we protect our sense of our own competence by making it very, very hard for ourselves to succeed"—but then launches into lighter explanations for bad behavior, such as resenting being told by a credit-card company that he has to pay his bill by a certain date.

As these lighter explanations accumulate, it becomes hard to avoid yelling at the author to please grow up. Is it possible that The Man he is eager to defy is really a straw man? Writes Mr. Santella: "The whole point of the to-do list is that it enhances the satisfaction in blowing something off. If you didn't first list the thing you are now putting off, you might not ever realize that you weren't doing that thing. And where is the fun in that?" Or there's this: "What could be more discouraging than crossing off the last item on the last to-do list? I want the lists to go on forever—and me, too, if possible."

But the clock stops ticking for all of us eventually. The good news is that by the end of "Soon" one suspects that Mr. Santella is overplaying his procrastinator credentials to make a point. After all, the book did get written. It isn't perfect, but nothing is. Procrastination steals the joy of completion from its victims. Mr. Santella can now see his work on bookstore shelves. That has to be more rewarding than alphabetizing one's own shelves filled with other people's books, one more time.

Ms. Vanderkam's latest book is "Off the Clock: Feel Less Busy While Getting More Done," due out in May.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

OPINION

REVIEW & OUTLOOK

The National Security Tariff Ruse

Commerce relies on bad data and can't even persuade the Pentagon.

Conservatives rightly criticized President Obama for stretching the law to issue executive edicts. The same scrutiny should attend the Trump Administration's dubious use of national security and Section 232 to justify its new tariffs on steel and aluminum.

Section 232 is part of the Trade Expansion Act of 1962 but has been rarely used—once each by Presidents Nixon, Ford and Carter against foreign oil imports. George W. Bush considered using it in 2001 to justify his steel tariffs but rejected the case as too flimsy. No President has used 232 since the World Trade Organization was created in 1995.

The Trump Commerce Department tried to justify its 232 play in two January reports, but its evidence is so weak that it bears dissecting. Start with its claim that steel and aluminum imports make the U.S. military vulnerable. Not even the Pentagon buys that one.

In an undated memo released to the media, Defense Secretary Jim Mattis wrote that "imports of foreign steel and aluminum based on unfair trading practices impair the national security." But he added that, "As noted in both Section 232 reports, however, the U.S. military requirements for steel and aluminum each only represent about three percent of U.S. production. Therefore, DoD does not believe that the findings in the reports impact the ability of DoD programs to acquire the steel or aluminum necessary to meet national defense requirements."

Mr. Mattis also warned about "the negative impact on our key allies" from tariffs. That's hardly a ringing endorsement for Commerce from America's war fighters.

Commerce next resorts to a dubious argument about capacity utilization. The claim is that U.S. steel producers must be able to run their plants at 80% of capacity to sustain an adequate domestic steel supply, but current U.S. capacity is about 70%.

One problem is how to measure capacity. Is it defined as short-, medium- or long-term, and what about the impact of labor availability? A Commerce official told us in an email on Saturday that "unless the furnace was fully shuttered and dissembled it is still counted as capacity." In other words, Commerce counts as capacity even idle plants that are fully depreciated and not expected to reopen.

The Commerce data alleging a "declining steel capacity utilization rate" come from 2016. But the American Iron and Steel Institute reports that for the week ending March 3 of this year, domestic raw steel production had a capacity utilization rate of almost 79%.

The report fails to break out capacity utilization of plants that make "long products"—such as wire rods, rebar and rails for track—and those that make flat-rolled steel for things like the armored plate in ship hulls. Some industry experts say that plants making flat products are well above 80% capacity, while plants that make long products may be lower. But Commerce supplies no such information in its report, and in any case "long" steel is tangential to national defense.

Then there's the failure to distinguish capacity use for blast furnaces compared to the electric-arc furnaces used by mini-mills. This is a key weakness because mini-mills can throttle back when demand slows without losing a lot of money, and thus can endure lower capacity use. This is one reason mini-mills have captured two-thirds of domestic production. Nucor, the largest U.S. mini-mill operator, turned in its largest quarterly profit in eight years in the first three months of 2017. Net income was up more than 300% year-over-year.

The Trump Administration has pulled the 232 stunt because it gives the President power to act unilaterally. But its own analysis shows how weak its case is. Steel users should challenge this in court as the unlawful ruse it is.

All of Putin's Poisons

What other chemical weapons does Moscow possess?

In the latest news from Vladimir Putin's Kremlin chronicles: British Prime Minister Theresa May said Monday that it is "highly likely" that Russia is responsible for the attack on former Russian spy and British double agent Sergei Skripal and his daughter Yulia on British soil, and that the weapon was a highly potent, Soviet-era nerve agent.

In a speech to the House of Commons, Mrs. May revealed the Skripals were attacked with a "military-grade" chemical weapon from the Novichok family. Novichok was developed in secret in the waning years of the Soviet Union, and its existence was disclosed by dissident scientists in 1992. At the time they claimed Novichok was five to 10 times more lethal than VX nerve gas.

Novichok was produced in Uzbekistan, and in 1999 the U.S. helped that country dismantle the facility after the Soviet Union collapsed. But the Soviets lied for decades about their chemical programs and stockpiles, and it's likely the Russians retained some Novichok in violation of chemical weapons treaties.

The attack on the Skripals occurred in Salisbury, a city of more than 40,000 people. Local authorities waited several days to advise residents to wash their clothes and put unwashable items like cell phones into sealed plastic bags. Some 500 people may have visited areas traveled by the Skripals on the day of the attack.

The attack also violates an unwritten code among competing spy agencies that prevailed even in the worst days of the Cold War. In 2010 the Skripals were exchanged for 10 Russians caught snooping in the U.S. Even in the black arts of espionage, agents who are exchanged are typically off-limits to future attacks. Family members aren't targeted.

The Novichok news raises questions about the extent of Russia's current chemical weapons arsenal. Britain demanded Monday that the Kremlin provide a full accounting of its Novichok program to the Organization for the Prohibition of Chemical Weapons. But if form holds, Russia will deny any role in the attack on the Skripals and deny that it holds chemical stockpiles. So much for the parchment promises of arms-control agreements.

Mrs. May called the Skripal attack "an indiscriminate and reckless act," but it was probably neither. The attack was likely deliberate and specific in sending a message to all who oppose the Russian state that they are never and nowhere safe.

Mrs. May added that if Moscow failed to provide an accounting Britain would "conclude that this action amounts to an unlawful use of force by the Russian State against the United Kingdom" and enact retaliatory measures. The rest of the world should do the same.

You RIN Some, You Lose Some

Flawed ethanol credits bankrupt a refinery and put steel jobs at risk.

Donald Trump is willing to risk a trade war to protect steelworkers, so you'd think he'd also stand up to Chuck Grassley, Joni Ernst and Deb Fischer. But last fall the corn-state Senators strong-armed the Trump Administration into preserving ethanol policies that have jeopardized hundreds of steelworkers' jobs and driven the East Coast's biggest refinery into bankruptcy. The Administration now has the opportunity to mitigate this regulatory wrong.

The Environmental Protection Agency enforces its biofuels quotas with compliance credits known as "renewable identification numbers," or RINs, which are created when ethanol is mixed with gasoline. Independent refiners often lack the ability to blend, so they're forced to buy credits to comply. RINs holders know they hold the pricing power, and the cost of biofuels credits has skyrocketed.

The credits cost more than the total pay and benefits for Philadelphia Energy Solutions' 692 unionized steelworkers. The refinery has spent $832 million on RINs since 2012, and CEO Gregory Gatta said that "massive expense" prompted Philadelphia Energy Solutions' Chapter 11 filing in January. Unless the feds offer RIN relief, the refinery's future looks bleak.

Mr. Trump has held three recent meetings on biofuels. Senators Grassley, Ernst and Fischer typically demand unconditional surrender on ethanol, so it's a good sign the President has also heard from Senators Ted Cruz and Pat Toomey, whose constituents are feeling the pain of current policy. One compromise on offer would impose a RIN price cap or offer a waiver that would allow independent refiners to buy credits directly from the federal government when market prices rose too high. In exchange the ethanol lobby would get a pass to blend biofuels year-round, producing fuel with higher levels of ethanol per gallon.

This compromise is far from perfect, preserving the artificial market for RINs. Businesses are still forced to spend money on compliance that could be put to more productive use elsewhere. Pure gasoline can fuel a car further than biofuel blends, so as ethanol levels rise, consumers get fewer miles per gallon. Fuel that contains more than 10% ethanol is also corrosive to many engines. Consumers will either pay more for gas with lower-ethanol blends or take their chances with their vehicles.

The compromise is especially cynical when it comes to the environment. The corn lobby sold Washington on ethanol by marketing it as a cleaner fuel source. That claim was always dubious, given that biofuels are carbon-intensive to produce and transport. Ethanol evaporates faster than gas, releasing smog-causing pollutants. That evaporation is accelerated in warm weather, which is why the EPA has historically limited ethanol blending to cooler months. But corn states are apparently willing to give up green credibility in exchange for higher ethanol profits.

The core problem is that the federal government has distorted the energy market by using subsidies and mandates to support biofuels. The solution is to end this political favoritism. But if the Trump Administration lacks the political fortitude to stand up to the ethanol lobby, at least it can limit the most destructive effects. When policy is this bad, almost anything is an improvement over the status quo.

LETTERS TO THE EDITOR

To Contain Deficit, Fix Social Security First

One of Martin Feldstein's recommendations for reducing the deficit is to increase the full retirement age for collecting Social Security benefits ("Reagan's Cure for America's Debt Disease," op-ed, March 6). If that is a viable solution because people are living longer, shouldn't the required minimum distribution age for IRA distributions be raised in a like manner? This would allow people in retirement to keep more of their own funds in a tax-deferred environment for a longer time, which may help to offset the proposed loss of Social Security benefits. I believe the government should get out of the retirement-savings business altogether because it has proved incompetent at the task. To extract funds from working people in the guise of saving it for their retirement, and then spending the funds on something else is nothing but a fraud.

Benjamin I. Waxenberg, CPA/PFS
Southfield, Mich.

I am a 28-year-old certified financial planner and the majority of my clientele is under the age of 45. I have had the pleasure of discussing long-term financial plans with hundreds of Generation Xers and millennials, and they unanimously believe that Social Security will be caput by the time they retire. Whether due to deficit fearmongering or the rise of IRAs and defined-contribution retirement plans, these young people have been paying FICA without any expectation of future benefit. This phenomenon is an opportunity for a gradual approach to reforming Social Security.

Ian McClintic, CFP
Houston

Just as in George Orwell's "Animal Farm," Mr. Feldstein seems to suggest that the "horses" should just "work harder" and longer. As a career adult parole officer and later a behavioral therapist in a close-security men's state prison, I learned that the real problem with Social Security and Medicare are the millions of lazy and fraudulent disability and Medicaid recipients who abuse the system and pay absolutely nothing into it, ever. I have seen costly disability awards to ex-cons for "inability to get along with co-workers" and "prison trauma." And to their effectively fatherless children, awards for "age-inappropriate behavior" and "mild scoliosis." And Mr. Feldstein suggests trimming benefits to the working people who have actually paid for all this nonsense their whole lives?

Peter Jablon
Orleans, Mass.

Because single and married people pay the same payroll tax, they should receive the same benefits. Currently, all of a married beneficiary's current and former spouses, with at least 10 years of marriage, and their children can receive benefits without any reduction in the beneficiary's benefits. A nonworking spouse can get a larger Social Security benefit than a single person who may have paid payroll taxes for 50 years while raising children.

Payroll taxes should stop at age 70, since there is no benefit to delaying receipt of benefits after age 70. Increasing the cap on payroll taxes will increase the benefits of those paying the increased tax, but will benefit the system since the benefit formula is progressive.

Lynne Williams
Lynnfield, Mass.

The noted increase in life expectancy is well-correlated with income. Those at the top have experienced a great increase, while those at the bottom very little, if any. The Warren Buffetts and, presumably, Martin Feldsteins, neither of whom actually need Social Security, have seen their life expectancy (at age 50) rise to about 88 years. Less well-off men at the bottom of the income ladder can expect to live to 76 years. On average, if eligibility changes from 67 to 70 years, men at the bottom will collect for six versus nine years, a 33% decrease, whereas those at the top will collect for 18 versus 21 years, only a 14% decrease. Similar numbers apply for women. This is a dramatic worsening of an already skewed system.

Lawrence Bodenstein
Bronx, N.Y.

How dare Martin Feldstein write an op-ed on slowing the growth of Social Security and Medicare that is lucid, intellectually honest and makes total sense. Surely such a gross violation of the norms of economics as a respected academic discipline cannot go unpunished.

Thomas A. Metzger
Stanford, Calif.

Paid-Leave Proposal Expands Federal Reach

In a March 6 letter, Independent Women's Forum President Carrie Lukas argues that the paid family leave proposal isn't a new entitlement and could prevent the creation of one. If implemented, it won't be long until this becomes 100% inaccurate.

The proposal may very well be superior to some alternatives that have been suggested over the years. But referencing proposals from Democrats who are currently out of power isn't enough. Republicans used a similar tactic under President George W. Bush when creating Medicare Part D, a full-blown entitlement system we are now stuck with. Thank you very much. A bad program is a bad program even if it isn't the worst option.

Advocates of the plan can spin it as much as they want, but it would put the federal government in an area of our lives where it currently plays no role. It relies on the government-run Social Security system and would increase spending for a good while.

We also need to be realistic. Once that door is opened, our legislators, government agencies and special interests will gradually (or even radically) expand the scheme in ways that were never intended. How long will it take for parents to feel they are entitled to this money?

There may be reasons to argue for paid family leave—but let's call it what it is: a government expansion into our lives.

Veronique de Rugy
George Mason University
Arlington, Va.

Don't Reform CFPB, Put a Stake Through Its Heart

Regarding Thomas M. Boyd's "A Civiletti Lesson for Elizabeth Warren" (March 6): Believing an acting director of a federal agency like the Consumer Financial Protection Bureau can in any long-lasting way moderate its regulatory overreach is a pipe dream.

Congressional reform of the CFPB's independent litigation authority by requiring a Justice Department sign-off is insufficient. Does anyone believe former Attorney General Eric Holder would have restrained Richard Cordray's envelope pushing? Future directors could simply collaborate with like-minded deputy associate attorneys general.

This regulatory and prosecutorial overreach is a feature, not a bug, of modern government. It has metastasized into executive branch lawmaking and now infects most federal agencies including the IRS, the EPA, even HUD and the Education Department. Congress may, from time to time, step in to reset regulatory boundaries, but eventually it will be outmaneuvered or even ignored by the permanent bureaucracy whose rasion d'être is the nonstop acquisition of authority.

Repealing the CFPB's litigation authority won't work. Instead, repeal the CFPB.

William A. Matthews
Boston

Pursue Returns, Not Politics

Holman Jenkins rightly raises the point that "CEOs and Politics Are a Bad Mix" (Business World, March 7). Larry Fink's demand to 1,000 CEOs of companies BlackRock is invested in that they must "serve a social purpose" would be called schoolyard bullying in earlier times. As an investor, I want my CEOs focused on exceptional, persistent financial results—not the cause of the day. If I were king, corporate charitable donations wouldn't be tax deductible. Let the stockholders decide how to donate their money. Don't decide for me.

Greg Pilcher
Silverton, Ore.

Letters intended for publication should be addressed to: The Editor, 1211 Avenue of the Americas, New York, NY 10036, or emailed to wsj.ltrs@wsj.com. Please include your city and state. All letters are subject to editing, and unpublished letters can be neither acknowledged nor returned.

Pepper ... And Salt

THE WALL STREET JOURNAL

"Pass it on. Mutiny at seven."

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

OPINION

Who's Afraid of Higher Wages?

By Larry Kudlow
And Stephen Moore

In the past several weeks some economic analysts have raised concerns that the U.S. economy is "overheating." Even many on Wall Street are worried inflation may be approaching, largely because unemployment is so low and wages are ticking up. The fear that rapid growth will drive inflation isn't new, but history shows that the connection is tenuous and that booming economies lower rather than increase prices.

The two of us are inflation hawks who want dollar and price stability. But worries about growth-driven inflation have often been misplaced, as when they last surfaced in the 1980s. Many economists predicted President Reagan's tax cuts would cause inflation, when in fact the Reagan years saw one of the biggest disinflations in American history.

A surge in investment, productivity and profits has analysts fretting about an 'overheated' economy.

President Trump is implementing a Reaganesque supply-side growth strategy, and the current boom looks likely to continue along similar lines. Gross domestic product increased nearly 3% over the past four quarters—a higher rate than President Obama achieved in any of his eight years. There is no sign that this growth rate is too much for the economy to handle; rather, it is a return to the high growth rates that the U.S. sustained during many low-inflation periods of the 20th century.

Employment and wages are also increasing at rates similar to America's recent boom periods. The February jobs report showed a 313,000 spurt in nonfarm payrolls, an 806,000 increase in the civilian labor force, and—finally—a big jump in the labor-force participation rate. Middle-income workers have received their first significant raise in 17 years, bringing their wages closer to the rates they would have seen in the growth trend of the late 20th century had continued through the early 2000s. And yet for many these results have been overshadowed by fear that inflation must be looming.

TY WRIGHT/BLOOMBERG

A worker assembles an industrial fan in a Lexington, Ky., factory.

Where did the enduring myth that growth causes inflation come from? In a 1958 paper, New Zealand economist A.W. Phillips posited a relationship between unemployment and wages, now called the Phillips Curve. He was right that wages tend to rise as unemployment falls. But it wasn't until the 1960s that economists Paul Samuelson and Robert Solow wrongly extended this theory by suggesting a linkage between unemployment and general inflation. That theory doesn't comport with the facts, then or now.

The great John F. Kennedy tax-cut boom in the 1960s coincided with low inflation and a strong dollar. In the 1970s, as the dollar collapsed when President Nixon took the greenback off the Bretton Woods gold standard, unemployment and inflation rose simultaneously. In the Reagan tax-cut boom, which lasted through the 1990s, unemployment and inflation fell together as the dollar stabilized under treasury secretaries Donald Regan, James Baker and Robert Rubin.

More than 60 years ago, Milton Friedman taught that inflation is always and everywhere a monetary phenomenon. It isn't economic growth and hiring booms that cause inflationary and asset bubbles, but rather excess money creation by the Fed.

Another mistaken belief is that the main impact of the Trump tax cuts is to pump up consumer demand, financed through higher budget deficits. But unlike stimulus spending, tax cuts don't distort the economy with artificial demand.

Except for some of the child credits and a few fattened deductions, the $1.5 trillion cut we helped design for Mr. Trump nearly two years ago was almost completely geared to reducing taxes on small and large businesses to boost incentives to invest and produce. Lower rates encourage businesses to invest and hire more. Capital investment, which was flat in 2015-16, has in the past year surged to 6.5% growth while inflation has remained level. And by the way, the Chicken Littles running around warning of inflation are many of the same economic geniuses who claimed a year ago that Mr. Trump would crash the economy.

In short, Mr. Trump's tax-cutting and deregulatory policies are already pushing out the supply curve, creating real growth that isn't inflationary. This is the critical point that so many economists miss: When production rises, prices fall. As Arthur Laffer often mentions, a bumper crop of apples means lower apple prices. Think of the Trump tax cut as more money chasing many more goods.

For workers this is the best of all worlds: A surge in capital investment, higher corporate productivity and profits, and a tight labor market. If this is "overheating," we want much more of it—and we think the record 155 million Americans in the workforce would agree with us.

Mr. Kudlow is an economics commentator with CNBC. Mr. Moore is a senior fellow at the Heritage Foundation. They are co-founders of the Committee to Unleash Prosperity.

The Most Unnerving Visit to the Middle East in a Long Time

By Lindsey Graham

I recently returned from the Middle East, where I visited Jordan and Israel. I have been to the region many times, and this was the most unnerving visit I've taken in a long time. With the help of Vladimir Putin and Bashar Assad, Iran is winning. Sunni Arabs, Israel and the U.S. are on their heels. How did this happen?

Severe missteps from the Obama administration empowered Mr. Assad, who at the time saw no consequences for slaughtering thousands of Syrians. The death toll has since climbed into the hundreds of thousands, and the war rages on. President Obama's decision to withdraw troops from Iraq, against military advice, led to the rise of Islamic State. He also ignored advice from his national-security team to help Syrian democratic forces when Mr. Assad was on the ropes. Hezbollah and eventually Russia and Iran came to Mr. Assad's aid, entrenching him in power.

The Trump administration took the gloves off in fighting ISIS in Iraq and Syria. The results on the battlefield speak for themselves. Yet I do not see a coherent strategy from the administration to combat Iran's growing influence in Iraq and the domination of Syria by Russia and Iran. Today Mr. Assad is an Iranian proxy and a Russian puppet.

Listen to our military leaders. Army Gen. Joseph Votel, head of the U.S. Central Command, told the House Armed Services Committee last month that "countering Iran is not one of the coalition missions in Syria." He added: "Iran's malign activities across the region pose the long-term threat to stability in this part of the world." As for the Russians, "Moscow plays both arsonist and firefighter, fueling tensions among all parties in Syria . . . then serving as an arbiter to resolve disputes, attempting to undermine and weaken each party's bargaining positions."

In the Golan Heights, Israeli soldiers pointed out villages under the control of ISIS and others under the control of the Assad regime—accompanied by fighters from Hezbollah, one of Israel's mortal enemies and an Iranian proxy. This growing threat on the Israel-Syria border must be confronted before it becomes a launchpad for more rockets into Israel.

In Syria and Lebanon, Iran and its proxies escalate their threats to Israel, Sunni Arabs and the U.S.

The biggest concern is Hezbollah's militarization of southern Lebanon. When Israel withdrew from the region in 2000, the United Nations promised to provide a buffer via the U.N. Interim Force in Lebanon, to ensure that southern Lebanon would not continue to be a threat to Israel. On our visit, we were stunned by how pervasive sophisticated rockets have become in the area. The Israel Defense Forces informed us that Hezbollah—with Iran's help—is manufacturing precision-guided weapons there. Under the nose of Unifil, there are thousands of intermediate-range rockets and missiles pointed at Israel.

Soon Israel will have to attack these rocket sites, which Hezbollah has integrated into civilian infrastructure such as apartment buildings, schools and hospitals. Israeli leaders are concerned that this integration will lead to high civilian casualty rates if the Jewish state has to defend itself. Israeli officials repeatedly reminded us of this fact and expressed hope we would be there for them. I intend to do both. I will hold hearings about the military buildup in southern Lebanon, the failures of Unifil, and the need for more missile-defense funding for Israel.

I hope the administration will develop a strategy that includes no-fly zones inside Syria, so refugees can safely return home, and that the U.S. continues to train forces who want to take on Mr. Assad. We must also make clear to Iran and Russia that they engage these forces at their peril.

Without change on the ground, Israel will be forced to face the growing threats from Iran and its proxies inside Lebanon and the Syria border region. Jordan cannot withstand more refugees, and the civil war in Syria has taken a heavy toll on the Jordanian economy and created radical Islamic threats on Jordan's border.

There are no easy choices left, because the Obama administration allowed Iran and Russia to fill a vacuum created by poor policy choices. But the worst option is to remain on the sidelines. The antidote is a clear and coherent strategy to push back—not continue a policy of indifference.

Mr. Graham, a Republican, is a U.S. senator from South Carolina.

'Knock It Off' and 'Shake It Off': The Case for Dad-Style Parenting

By Abigail Shrier

When my 7-year-old twin boys were first learning to play piano, I would check in with them regularly to see if they were still enjoying it. Finally, their teacher—a Russian woman who was evidently unfamiliar with fashionable theories of child rearing—told me that if I wanted my kids to learn an instrument, I needed to cut it out.

"Some weeks they won't like it," she said. "So what? Stop asking."

Experts have long debated child-rearing methods. What's best for the children? What's best for the parents? Now the vogue is to refer to parenting "styles," adding a patina of theory to what was once a matter of instinct. "Authoritarian parenting" describes those who believe "because I said so" is the best reason a parent can give. "Authoritative" describes those parents who offer children actual reasons. And "permissive" describes those who provide a Hobbesian childhood in the State of Nature, when children were raised like Mowgli, by wolves.

Long before the official classification of parenting styles, two ancient approaches prevailed. I'll call them "dad-style" and "mom-style," but either parent could perform them equally well. Together, they aimed at a balance, which is important for boys and girls alike.

Dad-style parenting consisted in, roughly, "knock it off" for bad behavior and "shake it off" for bad feelings, while mom-style relied on nurturing, accommodation and, above all, discussion. The masculine method generally tracked the authoritarian school, but it never formed any self-conscious philosophy. That was its beauty. At best, dad-style parenting promised total and reassuring consistency. Dad's physical presence provided comfort and discipline like a home-cooked meal, straight from the source.

When a dad-style parent said "knock it off," it was the child's job to figure out the precise behaviors from which to desist, accepting that definitive knowledge of what or why might never come. The pestering touch of persons and things, drumming of fingers and clicking of tongues, ululating and whining—each on its own might not be grounds for punishment, but together they could drive an adult to madness all the same. Discipline socialized children. They became tolerable to those who didn't already love them.

As Orthodox Jews, my husband and I frequently host other families for Sabbath meals at our home. I often spend Thursday night and many hours on Friday preparing several-course meals only to have a parent turn up and confess that junior had something else in mind. Could I possibly whip up a dish more to his liking?

I get it. In the age of psychology, we mom-style parents are hyper-attuned to our children's needs. We treat their thoughts and intentions like satellite signals. With enough effort and the right equipment, we think, we ought to be able to unscramble every whine, answer every plea. It's a hard habit to quit.

But there is a time and place for "knock it off," though I can't remember the last time I heard a parent use that expression. What I hear these days from moms and dads alike is so much pleading and explanation. "Please stop doing that, honey, it's annoying." Then comes the negotiation. "All right, three more tongue clicks, and that's it. No, I said, three. OK, four."

Here's the rub: Kids need dad-style too. "Shake it off" conveyed a dad-style certainty that children could survive minor injuries. Not every scratch called for a stretcher. Children should learn to overcome, not exaggerate, their pain. If an injury is unserious, a child should rise to the occasion and play on.

I learned this lesson the way you do, the first time I prepared one of my kids for surgery. For six years of his life, unknown to us, an aggressive growth had snowballed in my son's inner ear, dissolving bone structures in its path and burrowing toward his skull. Major operations were necessary to remove the growth, eardrum and ear bones, and to fashion a new eardrum from a piece of temporal muscle. A year later, my son needed another surgery to insert a prosthetic device that would restore his hearing. I never doubted the necessity of the surgeries. And yet, just before they took him into the operating room, after he'd drunk the "happy juice" and I was instructed to say goodbye, I had the impulse to throw myself on the cot like a human shield.

I didn't do it. I did what we all do in such situations. I borrowed strength from a role I'd seen others play. I faked a godlike certainty that everything was going to be fine because the possibility it wasn't was too frightening to bear. For the sake of the little boy barely visible under all those sheets, I pretended I had confidence. I told him he was more than tough enough for a six-hour surgery, and then another. My pretending made it true. He believed me.

The dad-style approach offers more than expedience. Tough love can offer emotional nourishment too. And kids learn to soldier into the world with what a cynic might describe as naiveté. Others call it courage.

Ms. Shrier is a writer living in Los Angeles.

THE WALL STREET JOURNAL.
PUBLISHED SINCE 1889 BY DOW JONES & COMPANY

Rupert Murdoch, *Executive Chairman, News Corp*
Robert Thomson, *Chief Executive Officer, News Corp*
Gerard Baker, *Editor in Chief*
William Lewis, *Chief Executive Officer and Publisher*

Matthew J. Murray, *Executive Editor*
Karen Miller Pensiero, *Managing Editor*

Jason Anders, *Chief News Editor;* **Thorold Barker,** *Europe;* **Elena Cherney,** *Coverage Planning;* **Andrew Dowell,** *Asia;* **Neal Lipschutz,** *Standards;* **Meg Marco,** *Digital Content Strategy;* **Alex Martin,** *Writing;* **Mike Miller,** *Features & Weekend;* **Shazna Nessa,** *Visuals;* **Rajiv Pant,** *Technology;* **Ann Podd,** *News Production;* **Matthew Rose,** *Enterprise;* **Michael Siconolfi,** *Investigations;* **Nikki Waller,** *Live Journalism;* **Stephen Wisnefski,** *Professional News;* **Carla Zanoni,** *Audience & Analytics*

Paul A. Gigot, *Editor of the Editorial Page;* **Daniel Henninger,** *Deputy Editor, Editorial Page*

WALL STREET JOURNAL MANAGEMENT:
Suzi Watford, *Marketing and Circulation;* **Joseph B. Vincent,** *Operations;* **Larry L. Hoffman,** *Production*

DOW JONES MANAGEMENT:
Mark Musgrave, *Chief People Officer;* **Edward Roussel,** *Innovation & Communications;* **Anna Sedgley,** *Chief Operating Officer;* **Katie Vanneck-Smith,** *President*

OPERATING EXECUTIVES:
Ramin Beheshti, *Product & Technology;* **Jason P. Conti,** *General Counsel;* **Frank Filippo,** *Print Products & Services;* **Steve Grycuk,** *Customer Service;* **Kristin Heitmann,** *Chief Commercial Officer;* **Nancy McNeill,** *Advertising & Corporate Sales;* **Christina Van Tassell,** *Chief Financial Officer;* **Jonathan Wright,** *International*

DJ Media Group:
Almar Latour, *Publisher;* **Kenneth Breen,** *Commercial*
Professional Information Business:
Christopher Lloyd, *Head;* **Ingrid Verschuren,** *Deputy Head*

EDITORIAL AND CORPORATE HEADQUARTERS:
1211 Avenue of the Americas, New York, N.Y., 10036
Telephone 1-800-DOWJONES

DOW JONES News Corp

Notable & Quotable: Elizabeth Warren

From James Freeman's Best of the Web column, WSJ.com, March 12:

U.S. Sen. Elizabeth Warren (D., Mass.) is not only sticking with a story that is increasingly difficult to believe. She now seems uninterested in even attempting to authenticate her claims of Native American ancestry. And she continues to accuse her paternal grandparents of bigotry without offering any evidence for the smear. . . .

This column has previously noted an implausible part of this story. If Native American ancestry was so distant on her mother's side that the senator cannot even name any native relatives, how would her father's family have even known?

Now the senator is suggesting that "all" of her aunts and uncles, both of her parents and at least two of her grandparents told her that her father's family was comprised of such bigots that they "bitterly" opposed a marriage based on the mere possibility of some Native American heritage, without any direct evidence.

Ms. Warren's deceased relatives of course cannot sue her for slander, so the possibility of intra-family litigation seems remote.

But there are other problems with this story. Ms. Warren insisted . . . that she has never benefited from her claims, even though, for example, Harvard Law School presented her as Native American to demonstrate its diversity.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

FOR THE
FIRST
TIME
A SECOND
ESPRESSO

NEW STARBUCKS® BLONDE ESPRESSO NOW SERVING

EST. 1971 STARBUCKS COFFEE COMPANY

© 2018 Starbucks Coffee Company. All rights reserved.

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

TECHNOLOGY: A+E CEO IN TALKS TO LEAD VICE MEDIA B4

BUSINESS & FINANCE

© 2018 Dow Jones & Company. All Rights Reserved.

* * * * * THE WALL STREET JOURNAL. Tuesday, March 13, 2018 | B1

S&P 2783.02 ▼ 0.13% S&P FIN ▼ 0.40% S&P IT ▲ 0.30% DJ TRANS ▼ 0.31% WSJ $ IDX ▼ 0.22% LIBOR 3M 2.107 NIKKEI (Midday) 21789.45 ▼0.16% See more at WSJMarkets.com

IPO Values Dropbox at $7.4 Billion

Web-storage firm files for largest technology launching since Snap's offering last year

By Maureen Farrell

Dropbox Inc. set a valuation target between $7 billion and nearly $8 billion ahead of its initial public offering, which is set to be one of the biggest tech IPOs in the past few years.

In a filing Monday, the web-storage and collaboration company said it expects its shares to price in a range of $16 to $18. At the midpoint of that range, based on a fully diluted share count, its valuation would be $7.4 billion, well below the $10 billion valuation where the company had raised private capital in 2014.

The Dropbox IPO will seek to raise $612 million of capital at the midpoint of its range, and the company said it would receive proceeds of $529.7 million at that midpoint.

That valuation level would make it the largest U.S. tech IPO since Snap Inc. made its debut in March 2017, according to Dealogic. The Wall Street Journal had previously reported the company was seeking a valuation of roughly $7 billion to $8 billion.

The company also revealed in its filing that the corporate investment group of **Salesforce.com** Inc., which has been an investor in the company, will serve as an "anchor" in the IPO and buy $100 million worth of the shares being offered when the IPO closes in a private placement.

$612M

Capital sought by Dropbox at midpoint of its pricing range

As one of few richly valued tech startups to test the public markets in recent years, Dropbox's performance as a public company will be closely watched as a potential barometer for the more than 100 U.S. companies valued at more than $1 billion that still remain private—particularly the larger ones.

Most of the startups with the highest valuations have put off IPOs as they still have access to ample amounts of capital from big investors.

The San Francisco-based company and its underwriters will set a final IPO price based on feedback from investors in a roadshow that is about to begin. IPOs aren't guaranteed to price within companies' expected ranges.

Dropbox is expected to start trading on Nasdaq under the symbol DBX late next week.

Investors from top venture-capital firms such as **Sequoia Capital** and **Accel Partners** as well as mutual-fund firms including **Fidelity Investments** and **T. Rowe Price** have collectively pumped more than $600 million into Dropbox, viewing the company as having enormous potential to dominate the consumer business of file storage.

Dropbox, which lets users store, share and collaborate on documents, photos and other files online, is among the older of the billion-dollar startups. The company was founded by

Please see IPO page B2

◆ Heard on the Street: Unicorns are difficult to price..... B12

Apple Buys Magazine Subscriber Service

By Tripp Mickle And Lukas I. Alpert

Apple Inc. said it will acquire **Next Issue Media** LLC and its digital-magazine-subscription service Texture, a product developed by top magazine companies that bundles together some 200 subscriptions into one monthly service.

The acquisition comes as Apple looks to beef up its services business, which includes music streaming and mobile payments. Apple has set a goal of increasing total revenue from services to more than $40 billion by 2020. The company generated nearly $30 billion in services revenue in its latest fiscal year.

Apple typically takes a 15% cut of subscription services from publishers and content providers, including **Netflix** Inc. and HBO, if those subscriptions are purchased through its App Store.

Terms of the deal weren't disclosed. Next Issue Media and Texture are owned by **Advance Publications** Inc.'s Condé Nast, **Meredith** Corp., **Hearst** Corp., **Rogers Communications** Inc. and investment firm **KKR & Co.**

The magazine industry for years has sought ways to transition from print to online, but has faced profound challenges competing with tech giants for digital advertising dollars, while print ad revenue continues to decline.

Last year, **Alphabet** Inc.'s Google and **Facebook** Inc. accounted for more than 63% of U.S. digital ad spending, according to eMarketer, while the magazine world has been buffeted by steady cutbacks and numerous rounds of consolidation.

Next Issue, which launched in 2009, was envisioned as a way for publishers to compete against tech titans like Apple, whose App Store has come to dominate distribution in the digital publishing marketplace.

In a joint statement, Texture's key publishing investors said the sale was in line with a shifting marketplace.

"This new relationship with Apple not only will deliver new audiences and further the reach of our collective brands, but reflects the way consumers are engaging with media today as they look to discover content and subscribe with more convenience and ease," they said.

Texture, which offers a $10 monthly subscription to magazines such as Vanity Fair, Good Housekeeping, Time, Sports Illustrated, and National Geographic, fits into Apple's effort to bring news and information to iPhone and iPad users. The company launched Apple News in 2015 and has been aggregating and providing news stories to iPhone users since then.

"We are committed to quality journalism from trusted sources and allowing magazines to keep producing beautifully designed and engaging stories for users," said Eddy Cue, Apple's senior vice president who oversees the services business.

Investors Fear Goldilocks Market Is Ending

By Riva Gold And Georgi Kantchev

Nine years into a roaring stock bull market, fund managers are paying their last respects to Goldilocks.

Investors broadly remain bullish on stocks and other investments, aided by an upbeat U.S. jobs report on Friday. But repeated bouts of market volatility in 2018 and signs of a pickup in inflation have forced them for the first time in several years to reassess their tolerance for risk. For many, that means boosting cash positions, slashing equity or diversifying portfolios.

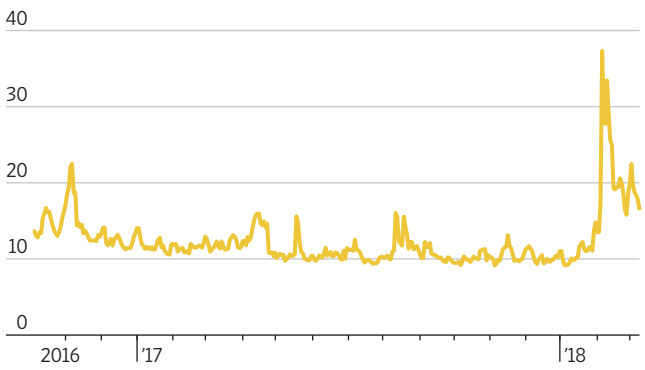
Take Zurich-based **GAM Holding**, which has $163 billion under management. During the height of February's stock swoon, senior investors at a regular strategy meeting concluded a new regime for markets was taking shape, after nearly two years of steadily rising asset prices and low volatility spawned a not-too-hot, not-too-cool trading environment likened to the 19th-century fairy tale.

While modest but improving economic growth and very gradual rises in interest rates may indeed continue to characterize the financial markets in 2018,

Please see STOCKS page B2

A long stretch without volatility has been punctured...

CBOE Volatility Index

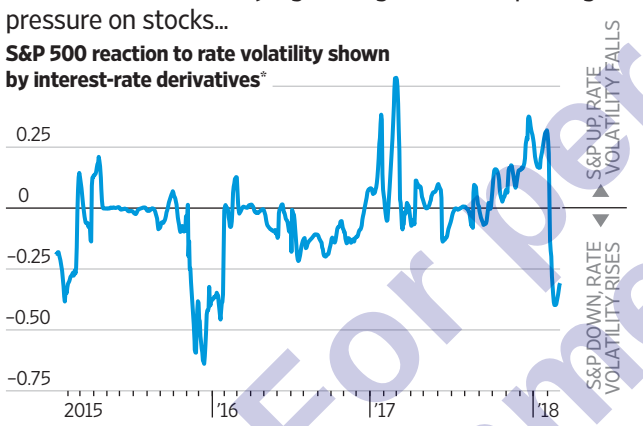


...as inflation expectations have been climbing...

10-year break-even inflation rate

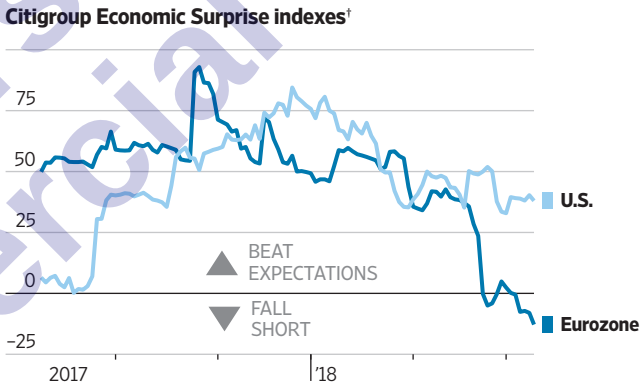
...and fears of monetary tightening have been putting pressure on stocks...

S&P 500 reaction to rate volatility shown by interest-rate derivatives*



...while economic data is lending less support than it did in the past.

Citigroup Economic Surprise indexes†



*A negative number means the S&P 500 is falling while 1y5y rate volatility rises by one standard deviation. †Index above zero indicates economic data beat economist expectations.

Sources: FactSet (volatility, inflation, surprise index); Quant Insight (interest-rate derivative)

THE WALL STREET JOURNAL.

China Venture Next Step for Superhero Directors

By Erich Schwartzel

LOS ANGELES—The Russo brothers made their name in Hollywood directing "Captain America." Their next effort, like many in Hollywood, will be captained by China.

Joe and Anthony Russo, who are putting the finishing touches on next month's "Avengers: Infinity War," also are in the early days of running Agbo, a production company backed by China's largest private film company, **Huayi Brothers Media** Corp.

In a sign of China's film industry expanding beyond its borders, the Beijing-based Huayi Brothers has given the Russo brothers an initial $250 million in development funds and an additional $100 million to spend on production costs.

The venture with Huayi has survived a Chinese crackdown on similar investments, but larger questions loom: The kind of Chinese-owned blockbuster Agbo aims to release has yet to conquer the world's movie screens, despite the country's persistent efforts. Hollywood in recent years has turned into a graveyard for ventures similar to Agbo.

With the Russo brothers, Huayi has tapped a duo best known for directing four superhero epics for Walt Disney Co.'s Marvel Studios. Following "Infinity War," a second "Avengers" movie by the brothers is slated to make its debut in 2019.

After the success of their "Captain America: The Winter Soldier" in China, the Russos were approached by would-be Chinese partners eager to produce a global blockbuster of their own. Chinese companies

Please see RUSSO page B2

NG HAN GUAN/ASSOCIATED PRESS

'Captain America: The Winter Soldier' was a success in China, and the Russo brothers were approached by would-be Chinese partners hoping to produce a global blockbuster of their own.

INSIDE

GE PAID NO CASH BONUSES TO TOP BRASS

COMPENSATION, B3

INDUSTRIAL GIANTS DRAG DOWN DOW

MONDAY'S MARKETS, B11

HEARD ON THE STREET | By Aaron Back

Old Dogs' New Tricks in Payments Battle

Now that they have gotten their act together, don't count big banks out of the mobile-payments war.

The way Americans make purchases and pay friends has changed rapidly over the past few years. Major financial institutions initially were caught off guard by the success of digital upstarts like Venmo, the payment app owned by **PayPal** that makes it easy to transfer money to friends with a few smartphone clicks.

But a consortium of dozens of the largest banks in the U.S. have struck back in a big way with **Zelle**, which allows rapidly processed payments to people with an account at any of the more than 60 participating financial institutions. Major banks such as **JPMorgan Chase** and **Bank of America** integrated Zelle into their existing smartphone banking apps last year.

Speaking at an investor event on Feb. 27, JPMorgan Chase Chief Financial Officer **Marianne Lake** said the bank processed $41 billion of Zelle transactions in 2017, which she boasted was "more than Venmo in total."

Venmo's volumes in 2017 nearly doubled to $35 billion. Zelle, by contrast, saw total transactions worth $75 billion, up 36% from 2016, when it was under the old brand name clearXchange.

Speaking on the same day as Ms. Lake, PayPal Chief Executive Dan Schulman suggested the comparison is misleading.

"Remember, Venmo and Zelle are two very different animals," Mr. Schulman said. Venmo is used more frequently for smaller transactions averaging around $60, while Zelle's average transaction size is $300, he said.

PayPal also points out that its volumes are much higher when taking into account its namesake PayPal service and remittance platform Xoom. Its total person-to-person payments rose 45% in 2017 to $93 billion.

Venmo's main edge is its social aspect, which gives users the option to share with friends they are sending money to and why. This might seem odd to older us-

Please see HEARD page B2

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

INDEX TO BUSINESSES

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

A
Accel Partners B1
Advance Publications . B1
Allstate B10
Alphabet B1,B11
Amazon.com B11
Anglo American B6
Apple B1,B11

B
Bank of America . B1,B10
Berkshire Hathaway . B10
BHP Billiton B6
Binance B10
BMW A7
Boeing B11

C
Cantor Fitzgerald Securities B10
Capital One Financial B10
Caterpillar B11
Cincinnati Financial A2
Clorox B3

D
Daimler A7
Deutsche Bank B12
Dropbox B1,B12

E
Eric Robertsen B11
Exxon Mobil A5

F
Facebook B1,B11
Fidelity Investments .. B1

G
GAM Holding B1
General Electric B3
Glencore B6
Goldman Sachs Group A1,B11

H
Hearst B1,B4
Hilton Grand Vacations B3
Hilton Worldwide Holdings B3
HNA Group B3
Huayi Brothers Media B1

I
IG Group Holdings B10

J
Jefferies Group B10
Johnson Controls International B4
JPMorgan Chase B1
Julius Baer Gruppe B2

K
Kering B12
KKR B1

L
LedgerX B10
Liberty Mutual Insurance B10
Lukoil A5
LVMH Moet Hennessy Louis Vuitton A8,B12

M
Marianne Lake B1
Meredith B1
Microsoft B11
MuleSoft B12

N
Netflix B1,B11
Next Issue Media B1
Nucor B3

O
Okta B12
Orexigen Therapeutics B3

P
Park Hotels & Resorts B3
PayPal Holdings B1

R
Rio Tinto B6
Rogers Communications B1

S
Salesforce.com B1
Sempra Energy B4
Sequoia Capital B1
Snap B12
Spotify B12
Starbucks B11

T
Takeda Pharmaceutical B3
TeraExchange B10
TripAdvisor B11
T. Rowe Price Group ... B1
trueEX B10

U
Under Armour B11
United Technologies . B11
Universal Entertainment B2

V
Vice Media B4
Volkswagen A7,B12

W
Walt Disney B4
WM Partners B3
Wynn Resorts B2

X
Xiaomi B12

Z
Zelle B1
Zscaler B12

INDEX TO PEOPLE

B
Blankfein, Lloyd A1
Bonzon, Yves B2

C
Cue, Eddy B1
Cutifani, Mark B6

D
Dubuc, Nancy B4

H
Hatheway, Larry B2
Hawley, Noah B2
Hirani, Sunil B10
Householder, Joseph .. B4

I
Immelt, Jeff B3

K
Kalmin, Steve B6
Kleintop, Jeffrey B2

L
LaFemina, Christopher B6
Larocca, Mike B2
Lynch, Chris B6

M
Mackenzie, Andrew B6
Martin, Jeffrey W B4
Moynihan, Brian B10
Muschietti, Andy B2

N
Narachi, Michael B3

O
Okada, Kazuo B2

R
Raven, Abbe B4
Reed, Debra B4
Russo, Anthony B1
Russo, Joe B2

S
Sandven, Terry B11
Schork, Stephen B12
Schulman, Dan B1
Schwartz, Harvey A1
Solomon, David A1
Stein, Eric B2
Stovall, Sam B11

T
Turnill, Richard B2

W
Wynn, Elaine B2
Wynn, Steve B2

Z
Zhao, Changpeng B10

DAVID PAUL MORRIS/BLOOMBERG NEWS

The company's performance will be closely watched.

IPO

Continued from the prior page

Massachusetts Institute of Technology computer-science students Drew Houston and Arash Ferdowsi in 2007. It now has more than 500 million registered users, most of whom use its free, basic service with limited storage.

The 11-year-old company has never turned a yearly profit, which isn't uncommon for investment-heavy tech startups seeking to go public. It posted revenue for last year of $1.11 billion and a net loss of $111.7 million.

Mr. Houston, Dropbox's chief executive, and Mr. Ferdowsi are each selling 2.3 million shares in the offering, which would generate proceeds of about $39 million at the midpoint of the range.

Ahead of the IPO, in December 2017, Dropbox's board granted the co-founders stock awards that give Mr. Houston the potential to earn as much as $930 million over the next decade if Dropbox's share price reaches $60; Mr. Ferdowsi could earn as much as $396 million.

Over the past few years, Dropbox has faced intense competition from tech giants like Alphabet Inc.'s Google and Apple Inc., which have pushed into the consumer-storage area. Dropbox also has begun offering storage for businesses.

While Dropbox's losses have been shrinking, its revenue growth has also slowed. It has roughly 11 million paying users, but the vast majority of its 500 million users don't pay.

Despite a pushback against dual-class shares from index funds and the Securities and Exchange Commission in recent months, Dropbox will have a dual-class structure that gives the founders and some investors 10 votes a share, compared with one vote a share for investors buying shares in the public markets.

HEARD

Continued from the prior page

ers, but it is popular with Venmo's young customer base. It also could have substantial appeal to merchants if people start bragging to their networks about what they are buying.

PayPal's long-term plan to make money from Venmo is to charge merchants for accepting it as payment. Around two million merchants began accepting Venmo last year, though the company hasn't shared any data on transaction volumes.

Banks have their own advantages that can't be ignored. They are, after all, where people keep their money, and their main platform to manage transactions and finances. Making mobile payments an extension of this is only natural.

Banks also never really need to make money from Zelle. They are happy to provide it free as part of an array of bank account services. When it comes to buying things online and in shops, they want consumers to keep using credit and debit card numbers, which can be easily plugged into many mobile wallets, including PayPal and Venmo.

The payments space is big enough to accommodate many players. For the foreseeable future, people are likely to keep splitting restaurant checks with Venmo, paying rent with Zelle and making major purchases with credit cards. To think banks will get boxed out of this equation is fanciful.

BUSINESS & FINANCE

Wynn Drops Pachinko Mogul Suit

By Kate O'Keeffe

Wynn Resorts Ltd. on Monday dropped litigation against its former largest shareholder, Japanese pachinko mogul Kazuo Okada, according to a court order signed by the judge in the case and viewed by The Wall Street Journal.

The move brings the company another step closer to resolving a six-year legal battle that also involves Wynn cofounder Elaine Wynn, the ex-wife of former Chairman and Chief Executive Steve Wynn.

It was a Pyrrhic victory for Mr. Okada, who watched from the sidelines on Thursday as Wynn agreed to pay $2.6 billion to settle its litigation with **Universal Entertainment** Corp., a Japanese company Mr. Okada used to control.

Though Mr. Okada was instrumental in creating Wynn Resorts—initially investing $260 million for a 50% stake in the company—his relationship with Mr. Wynn and the company took a turn when Wynn Resorts in 2012 forcibly redeemed shares owned by Universal, then valued at $2.77 billion, at a 30% discount, and the Wynn board voted to remove Mr. Okada as a nonexecutive director.

Wynn said at the time that an internal investigation conducted by a former Federal Bureau of Investigation director had found Mr. Okada to be "unsuitable," based on the company's own regulations. Wynn then filed suit in a Nevada court against Universal and Mr. Okada, claiming breach of fiduciary duties and other offenses. Universal and Mr. Okada, who said that he was ousted for challenging some of Wynn's decisions, filed their own claims against Wynn, disputing the validity of the share redemption.

"I can not get back the last six years of my life, but now the world knows what I have known all along—I am innocent," Mr. Okada said in a statement Monday.

A spokesman for Wynn Resorts didn't immediately provide comment.

Mr. Okada, who last year was ousted from Universal after his own company accused him of fraud, wasn't a party to Thursday's settlement, and he won't see any of the money unless he can regain control of Universal, which he is trying to do through separate litigation. Mr. Okada has denied the allegations of wrongdoing made by Wynn and Universal.

The move ends litigation against the company's former largest shareholder.

Wynn Resorts has been under increased pressure to resolve the Nevada legal dispute after a Wall Street Journal investigation published in January detailed allegations that Mr. Wynn sexually harassed and assaulted employees. Mr. Wynn has said it was "preposterous" that he would assault a woman; he hasn't responded to other allegations.

Mr. Wynn resigned in the wake of the scandal, but he has been prevented from selling his Wynn Resorts stock by a shareholder agreement among him, his ex-wife and a unit of Universal that dates to 2010. Mr. Wynn's 12% stake has left him and the company subject to additional scrutiny by regulators in Nevada and Massachusetts, who are investigating the sexual-misconduct allegations.

Thursday's settlement with Universal, in which a unit of the company said it would no longer consider itself a party to the shareholder agreement, removed a barrier to Mr. Wynn's ability to sell the shares.

RUSSO

Continued from the prior page

have tried just about every avenue for a world-wide hit, including co-productions with a Hollywood studio that divvy up cast and crew, or the outright purchase of production houses like Legendary Entertainment.

"There has not yet been a Chinese-owned movie that has worked globally," said Mike Larocca, Agbo's president of production. "That is the prize of all these companies."

The Russo brothers have begun spending the Huayi money in recent months, picking up several projects now in development or production.

In December, Agbo won a bidding war to adapt "The Electric State," a science-fiction graphic novel the brothers see as having franchise potential, directed by Andy Muschietti, best known for last year's "It." Several buzzy properties have been optioned, including a crime drama at FX with "Fargo" showrunner Noah Hawley and last year's acclaimed novel "Exit West." Christopher Markus and Stephen McFeely, the screenwriters on "Infinity War" and five other Marvel Studios movies, joined Agbo as co-presidents of story, and they will be writing one or two scripts a year themselves.

Agbo doesn't have a mandate to find a catchall project for both markets, or to plug in Chinese stars, executives at the company said. Huayi will weigh in on greenlighting productions, but Agbo itself has final say on such decisions.

MIRRORPIX/EVERETT COLLECTION

Beijing-based Huayi Brothers gave Joe Russo, left, and his brother, Anthony, an initial $250 million in development funds and an additional $100 million to spend on production costs.

Agbo—named for a surname the Russo brothers say they found randomly in an Ohio phone book years ago—is entering a landscape that has buried similar previous efforts. Newer studios like Relativity Media expanded rapidly and quickly foundered, and Huayi-backed STX Entertainment has struggled to find its footing since its founding in 2014.

The Russo brothers say they are limiting their risk by staying out of the distribution business and by co-financing their big-budget productions with major Hollywood studios. They have also narrowed their focus to film and television, rather than the myriad divisions that doomed firms like the now-defunct Relativity, which dabbled in fashion, sports and even education.

In the past 25 years, Huayi Brothers has expanded beyond production within China to a sprawling entertainment conglomerate that includes movie theaters and talent representation. But Agbo is the most significant step yet for the company toward building a U.S. presence.

"You hit the domestic ceiling in China, and then what do you do?" said Anthony Russo. He and his brother first emerged in 2002 as directors of the film-festival feature "Welcome to Collinwood" and were early directors on the television show "Arrested Development" before launching into the Marvel stratosphere.

Agbo is in development on big-budget features akin to today's superhero sagas, as well as smaller prestige projects. It and the new independent distributor Neon dropped $10 million to buy distribution rights to "Assassination Nation," a teen-girl revenge thriller that premiered at the Sundance Film Festival this year.

Despite making their name in Marvel's multicharacter cinematic universe, the Russo brothers said they are preparing for a day when audiences want big spectacles but aren't as interested in following story lines across multiple installments. "There are people who don't follow film universe. What are the options for them?" said Joe Russo.

STOCKS

Continued from the prior page

signs of higher inflation, rising U.S. interest rates and threats of a global trade war have shaken investor confidence.

"Something fundamental was creeping into markets and market psychology," said Larry Hatheway, GAM's chief economist who sat on the committee meeting last month. "Until now, the expansion was seen as one that could go on and on without any signs of price inflation, and that's being questioned now."

At GAM, the team is moving money into long-short strategies, which bet both on rising as well as falling assets, and areas such as emerging-market debt to reduce correlations within their portfolios.

Although the U.S. jobs report showed the pace of wage growth easing last month, in this environment, "good" economic news can be taken as "bad news" for stocks if the economy shows signs of overheating. That can lead to higher interest rates, pressuring both stocks and bonds.

Bank of America Merrill Lynch's most recent fund-manager survey showed a record monthly climb in the percentage of fund managers taking out protection against a sharp fall in equity markets in the next three months.

Previous postfinancial-crisis corrections were largely triggered by signs of weakening economic growth or fears of deflation. But February's selloff was different in that it came on the heels of a rise in wages, sparking fears that inflation may accelerate.

Some investors say all this means rethinking long-held beliefs.

For nearly a decade, Swiss private bank **Julius Baer Group**, which manages $410 billion, had broadly followed the classic 60-40 equity-bond portfolio, focusing on growth-biased stocks. That ratio offers a higher allocation to stocks but still a healthy dose of bonds, which typically offer lower but more stable returns.

"Now, we're at an inflection point. Buy and hold won't work anymore," said Yves Bonzon, the group's chief investment officer.

Mr. Bonzon is also reducing allocations to stocks and holding more cash.

Eric Stein, co-director of global income at Boston-based Eaton Vance, said that his fund, which uses long-short strategies, has been getting more calls from investors showing interest in the past month. "It was frustrating [last year] when everything was only going up. I thought, why would clients talk to us?" said Mr. Stein, whose firm manages $449 billion. "But now these strategies make more sense, when there are bigger disconnects in markets."

Those disconnects could come from a changing macroeconomic environment.

For the first time in years, Jeffrey Kleintop, chief global investment strategist at Charles Schwab, which manages $2.9 trillion in client assets, said he has been urging his U.S. clients to diversify their portfolios internationally to reduce risk.

Shortly after February's correction, Mr. Kleintop said he went on a series of meetings from California to Kentucky prepared to reassure clients that the bull market wasn't over yet and that stocks could still do well, albeit in a more volatile climate.

To his surprise, "they were all very confident," ready to buy the dip, he said. "It does get you worried—it's a sign we're late in the cycle."

MICHAEL NAGLE/BLOOMBERG

Signs of higher inflation, rising rates and fears of a trade war have shaken investors, and some question long-espoused beliefs.

Warning Signs on Rates, Growth Seen

A strong labor market, rising commodity prices and fiscal stimulus from Washington are expected to boost inflation, prompting the Federal Reserve to tighten policy at a faster and less predictable pace than before. That has recently pushed the 10-year Treasury yield to within reach of 3% for the first time in four years.

At the same time, large, positive surprises on global growth have started to fade, says Richard Turnill, global chief investment strategist at BlackRock, the world's largest money manager.

Not all the trends have been discouraging. Corporate earnings, particularly in the U.S., have been solid, and an elevated level of global growth could continue to lift stocks for some time.

But global manufacturing surveys have fallen for two consecutive months after reaching a seven-year high in December, and the Citi Economic Surprise Index for the eurozone, which measures data releases against forecasts, has fallen below zero for the first time since 2016, suggesting economic reports are coming below expectations.

The Trump administration's announcement on Thursday that it is imposing tariffs on steel and aluminum imports, while reiterating its desire to rewrite existing trade pacts, has stoked fears of a trade war that could damp global economic growth.

While BlackRock believes the economic cycle is still supportive of investing in stocks, the fund manager is now less keen on areas such as European equities, which they believe do best when global growth is unexpectedly accelerating. Mr. Turnill favors U.S. stocks and short-term Treasurys.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

RICHARD DREW/ASSOCIATED PRESS

Chief Executive John Flannery

GE Gets Stingy With Cash Bonuses

By Thomas Gryta And Theo Francis

General Electric Co. didn't pay a cash bonus last year to its top executives at corporate headquarters, which it said was the first time in the company's 125-year history.

The Boston-based company said in a regulatory filing Monday that its board withheld the 2017 bonuses and canceled some 2015 equity awards that executives would have partly received. It cited the conglomerate's struggles last year, which forced GE to slash its dividend, cut thousands of jobs and overhaul its leadership.

John Flannery, who took over as chief executive on Aug. 1 with a $2 million annual salary, received $9 million in total compensation for 2017, including stock options and changes in values in his pension plan, according to the proxy filing. Flannery earned $1.6 million in salary in 2016 when he was CEO of the GE Healthcare division.

Former CEO Jeff Immelt received $8.1 million in total compensation last year, down from $21.3 million in 2016. Mr. Immelt, who led the company for 16 years and retired as chairman in October, didn't receive any severance payments.

GE said it was changing its executive-compensation program for 2018, eliminating a long-term cash incentive program and lowering the amount of cash salary paid to Mr. Flannery compared with Mr. Immelt.

The company also is tying equity awards to total shareholder return. Bonuses for employees of each operating business will be funded based on segment performance, rather than overall company performance.

The company disclosed on Monday that in February it awarded 800,000 performance share units to the new CEO that will vest in three years. It also awarded 200,000 performance share units to Jamie Miller, who took over as finance chief on Nov. 1. The shares underlying the equity awards were valued at $12 million and $3 million, respectively, based on where the stock was trading in February.

The company said the grants were delayed from the fall to give the board more time to consider the appropriate performance metrics and targets.

Over all, GE said it funded its corporate bonus pool at 24% of its plan last year. The only senior executive to receive a cash bonus for 2017 was David Joyce, the Cincinnati-based head of GE Aviation, which makes jet engines. Mr. Joyce received a cash bonus of $1.4 million and total compensation of $5.2 million in 2017, less than half of what he received the year before.

Jeff Bornstein, who officially stepped aside as finance chief on Nov. 1, received $6.9 million in total compensation for 2017, excluding $7.7 million worth of restricted stock awards that he received earlier in the year but that were canceled when he resigned.

$8.1M

Total 2017 compensation for former CEO Jeff Immelt

HNA Seeks Sale of Hilton Stake

Chinese firm is looking to both pay down debt and adhere to Beijing's investment guidelines

By Julie Steinberg And Jenny Strasburg

HNA Group Co., one of China's biggest private companies, is looking to further cash out its stakes in companies related to the Hilton hotel chain roughly a year after becoming a major shareholder.

The Chinese conglomerate is in discussions to sell a portion of its Hilton-related investments, according to people familiar with the matter. HNA is exploring unloading some or all of its 25% stake in **Hilton Grand Vacations** Inc., the timeshare business spun off last year from **Hilton Worldwide Holdings** Inc., the people said.

HNA's stake in Hilton Grand Vacations is valued at about $1.2 billion. On paper, HNA could stand to make a profit of nearly $570 million, before accounting for leverage that could further boost its windfall.

HNA would sell its shares into the open market and not to a direct buyer, the people said. While an announcement could be made as soon as this week, HNA's plans could change, the people cautioned.

The firm has recently moved to sell some of its most liquid stakes as it sheds assets around the globe to both pay down debt and adhere to China's guidelines on acceptable overseas investments.

In recent weeks, HNA has sold billions of dollars of real-estate properties as China clamps down on certain types of acquisitions abroad. It is also undergoing a large-scale restructuring across multiple units in China and Hong Kong.

HNA is looking to crystallize returns on investments that have done well, according to people familiar with the conglomerate's strategy. The company is hoping to generate capital for new acquisitions by disposing of older investments that have been successful, one of the people added.

HNA, an airlines-to-hotels conglomerate that until recently was one of China's most acquisitive companies, in the fall of 2016 agreed to buy a 25% stake in Hilton Worldwide from private-equity firm Blackstone Group LP for $6.5 billion.

When the deal was announced, Hilton Worldwide's president and chief executive, Christopher Nassetta, said HNA would be "a long-term investor and strategic partner," according to a statement.

In January 2017, Hilton Worldwide split itself into three publicly traded companies—Hilton Worldwide, Hilton Grand Vacations, and **Park Hotels & Resorts** Inc.—giving HNA a 25% stake in each of the three when its deal with Blackstone was completed in March 2017.

HNA had earlier committed to hold its shares in Hilton Grand Vacations for at least two years. That lockup agreement, which was scheduled to expire in March 2019, required HNA to obtain approval from directors of Hilton Grand Vacations before transferring or selling any part of its shareholding, according to regulatory filings.

HNA intends to keep a foothold in Hilton Worldwide, as it sees it fitting well into its overall global strategy, people familiar with the company's investments said. Its 25% stake in that company is valued at about $6.7 billion.

—Craig Karmin contributed to this article.

THE BAKERSFIELD CALIFORNIAN/ZUMA PRESS

The company owns 25% of Hilton Grand Vacations, whose hotels include several in Las Vegas.

Drugmaker Files for Chapter 11

By Peter Loftus

Drugmaker **Orexigen Therapeutics** Inc. filed for bankruptcy protection on Monday and plans to sell itself, after failing to find a profitable market for its weight-loss treatment Contrave.

The move underscores the difficulties the pharmaceutical industry has encountered in finding a safe and effective diet drug in the two decades since a drug that was part of the popular "fen-phen" treatment was pulled from the market because it was causing heart problems in patients.

A new generation of diet drugs became available beginning in 2012, but they have faced questions from doctors and patients about safety risks and costs. Other new drugs include Vivus Inc.'s Qsymia and Belviq from Eisai Inc.

These drugs have been associated with relatively moderate amounts of weight loss, which has disappointed some patients. "Many health professionals share these concerns about moderate weight losses and worry also about the known and possibly unknown side effects of weight-loss medications," said Thomas Wadden, professor of psychology and former director of the Center for Weight and Eating Disorders at the University of Pennsylvania.

Orexigen's debt obligations and near-term cash flow prompted it to seek bankruptcy protection, Chief Executive Michael Narachi said. The San Diego-based company had total assets valued at $265.1 million and total debts of $226.4 million as of Nov. 30, according to its chapter 11 petition in federal bankruptcy court in Delaware.

For the nine months ended Sept. 30, Orexigen lost $120.4 million on revenue of $61.4 million, according to its most recent quarterly report filed with the Securities and Exchange Commission.

The company plans to file a court motion seeking approval to pursue an auction and sale process, which it plans to conclude by July 2018.

The U.S. Food and Drug Administration approved Contrave in 2014 to help reduce weight in overweight and obese adults who have at least one weight-related condition such as diabetes, in conjunction with diet and exercise. A study showed that after one year of treatment, the drug reduced average weight in patients by about 4%, compared with a placebo.

Orexigen's move points up difficulties in finding a safe, effective diet drug.

Contrave is a single-pill combination of two older drugs: naltrexone, which treats alcohol and opioid dependence, and bupropion, which treats depression and other conditions.

When the FDA approved Contrave, it warned that the drug could increase the risk for suicidal thoughts, seizures and high blood pressure. In 2017, the agency said it was reviewing reports of patients losing consciousness after taking Contrave. The company added information to the drug's prescribing label in 2017, citing the reports of loss of consciousness, but adding that it wasn't possible to establish that the drug caused the incidents.

Initially, sales expectations were high. In early 2015, RBC Capital Markets predicted that U.S. sales would be $185 million in 2017 and rise to more than $1 billion by 2024. At that time, Japanese drugmaker **Takeda Pharmaceutical** Co. co-marketed the drug in a license deal with Orexigen.

But Takeda withdrew from the deal in 2016, leaving Orexigen and its smaller sales force as the sole marketer.

Clorox to Buy Maker Of Dietary Products

By Cara Lombardo

Clorox Co. plans to buy a dietary-supplement maker for about $700 million, the company said Monday, as the owner of Pine-Sol cleaner and Hidden Valley dressing continues to diversify its business with a focus on health and wellness.

Nutranext, based in Sunrise, Fla., makes products such as Rainbow Light multivitamins, Natural Vitality specialty minerals, and Neocell supplements for hair, skin and nails.

Nutranext's sales were about $200 million last year, Clorox said, with 90% in the U.S.

Private-equity firm **WM Partners** LP owns Nutranext. Fort Lauderdale, Fla.-based WM Partners said that since its involvement in 2015, Nutranext has made four strategic acquisitions of nutritional supplement brands.

Makers of household products are trying varying approaches to jump-start growth amid slow industrywide sales and competition from lower-price upstarts.

With sluggish sales of household staples from diapers to razors, Clorox and rivals are branching out into categories in which they are able to command higher prices.

Colgate-Palmolive Co. last year agreed to buy two professional skin-care lines, marking an entry into the business.

Clorox has moved beyond its namesake bleach and cleaning products into brands such as Burt's Bees cosmetics and personal-care products and Brita water filters. Last year, it sold its Aplicare skin antisepsis business to a private health-care supply company.

The Nutranext deal, which Clorox expects to close by June 30, is subject to customary closing conditions.

Clorox expects it will dilute earnings per share by 7 cents to 11 cents in its fourth quarter ending June 30, and by 8 cents to 12 cents in its fiscal year 2019.

The company then said it expects Nutranext to add to earnings beginning in fiscal 2020.

Last month, the Oakland, Calif., company reported overall sales growth of 1% for the quarter ended Dec. 31, helped by double-digit volume gains in sales of wellness-related items such as digestive health products and water-filtration systems.

Clorox shares, down 5.6% over the past year, closed down 0.9% Monday.

—Sharon Terlep contributed to this article.

BESS ADLER FOR THE WALL STREET JOURNAL

The steelmaker, whose CEO has expressed support for import tariffs, plans to build a $240 million plant to produce reinforcing bars.

Nucor Plans to Add Florida Steel Mill

By Cara Lombardo

Nucor Corp. said Monday it intends to build a $240 million steel mill, the latest investment from the company in a bid to capitalize on a rising market for the metal.

Chief Executive John Ferriola said the Florida plant would produce reinforcing steel bars used in construction, and will give the company an advantage over competitors who ship rebar from long distances.

Nucor, which last year announced plans to build a rebar-producing mill in Missouri, didn't explicitly tie the mill in Florida to the recent implementation of tariffs on imported steel and aluminum from countries excluding Canada and Mexico. But last week, Mr. Ferriola thanked President Donald Trump in prepared remarks for addressing the "flood" of steel imports.

"For too many years, Nucor and other American steelmakers have dealt with this chronic problem, which is fueled by foreign governments' subsidies and preferential treatment for their steel industries in violation of international trade agreements and free market principles," Mr. Ferriola said.

The company, which is based in Charlotte, N.C., didn't respond to a request for comment.

Last week, United States Steel Corp. said it would fire up a blast furnace in Granite City, Ill., and call back 500 workers. Century Aluminum Co. has said it will restart lines at a smelter in Kentucky that have been curtailed since 2015, doubling its workforce there to 600.

While residents in these communities and employees celebrate, critics of the steel and aluminum tariffs said they would harm American industries that rely on metal supplies, such as auto makers and food and beverage companies that use aluminum cans.

Nucor expects that the mill to be built in Polk County east of Tampa will employ 250 people and pay an average salary of $66,000. Construction of the plant, which will have an estimated annual capacity of 350,000 tons, is expected to take two years, pending permit and regulatory approvals.

Nucor shares, up 11% over the past year, rose 0.8% to $67.69 in Monday trading.

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

SEBASTIAN WILLNOW/DPA/ZUMA PRESS

The company's power-solutions unit supplies batteries for trucks and cars, including hybrid vehicles. A company plant in Germany.

Spinoff Possible at Johnson Controls

Shedding battery business would tighten focus on building technologies

By Cara Lombardo

Johnson Controls International PLC could sell or spin off its battery business as part of the industrial company's plan to strengthen its core building-technology offerings.

The Ireland-based company said Monday it is exploring strategic alternatives for its power-solutions business, which brought in about $7.3 billion of revenue in the past fiscal year.

The power-solutions business primarily sells lead-acid batteries for trucks and cars, but it also supplies batteries for hybrid and electric vehicles. The business employs about 15,000 people.

The majority of the company's revenue comes from its building-technologies segment, which brought in roughly $23 billion during the past fiscal year.

Johnson Controls said the two units are each well-positioned but navigating different industry landscapes.

Chief Executive George Oliver said in prepared remarks that the company plans to strengthen its HVAC, fire-and-security-solutions and integrated building-management-systems businesses.

The company said it has hired Centerview Partners as a financial adviser and expects to complete its review over the next several months. The review might not result in a transaction, it added.

The latest review comes a few months after Johnson Controls closed a deal to sell its Scott Safety business to 3M Co. for about $2 billion.

The business produces respiratory-protection, gas-and-flame-detection, thermal-imaging and other products for fire and police departments and customers in the industrial, oil-and-gas, chemical, military and homeland-defense segments.

Proceeds from the deal were used to pay down part of $4 billion in debt resulting from a merger with Tyco International. The deal resulted in the company moving its legal domicile from Milwaukee to Cork, Ireland, in a so-called tax inversion.

A+E Chief Seeks Top Job at Vice

By Keach Hagey

A+E Networks Chief Executive Officer Nancy Dubuc is in advanced talks to become the next CEO of **Vice Media**, according to people familiar with the matter, as current CEO Shane Smith looks to step back into more of a content and strategic role.

Ms. Dubuc would take the helm at Vice during a delicate moment for the edgy, youth-focused media company, which apologized in December for running a "boy's club" after the New York Times reported sexual-harassment allegations against some of its executives.

Vice, which missed its revenue target last year and is under pressure from investors who want to find an exit, had been working to find an executive to offer more support for Mr. Smith, who wants to focus more on long-term strategy, deal making and content creation, The Wall Street Journal reported in February. Mr. Smith, the co-founder of Vice Media, plans to remain heavily involved at the company, according to a person familiar with the matter.

An experienced programmer, Ms. Dubuc knows Vice's business intimately. She has been on its board for several years and in 2014 led A+E Networks' investment in Vice, which led to the creation of the Viceland TV channel.

A+E Networks' parent companies, **Walt Disney** Co. and **Hearst** Corp., said Monday that Ms. Dubuc would step down from her role on April 16, and that Abbe Raven, the chairman emeritus and former CEO of A+E Networks, will come back to run the company until it finds a successor.

Variety earlier reported that Ms. Dubuc was in talks to join Vice Media.

Ms. Dubuc was recently in discussions for the top job at Amazon Studios, but she pulled herself out of the running in February, according to people familiar with the matter. The job went to NBC's Jennifer Salke.

CAITLIN OCHS FOR THE WALL STREET JOURNAL

Nancy Dubuc of A+E Networks.

After the termination of the talks with Amazon, Mr. Smith reached out to Ms. Dubuc to begin a dialogue about having her take over his operational duties, according to a person familiar with the matter. Vice has been searching for additional leadership to help stabilize its business, as investors push the company to turn a profit this year after it fell short of its 2017 revenue goal of $805 million by more than $100 million.

In a farewell note to colleagues, Ms. Dubuc, 49 years old, said she was "an entrepreneur, creator, rebel and disrupter at heart." In her time at A+E Networks, she pushed the typically World War II-obsessed channel onto a new path with the reality hit "Ice Road Truckers." By the time she was CEO of the company, reality hits such as "Duck Dynasty" on flagship A&E were pulling in more than nine million viewers, beating out broadcast shows.

But as cord-cutting began to shrink the distribution and audiences of cable networks, reality-filled nonfiction networks were hit particularly hard, and A&E's audience was cut in half. In the most recent season, however, innovative hits such as "Live PD," which broadcasts police officers on the job live, helped lead a resurgence at A&E.

Panel Flags Cost of Cancer Drugs

By Thomas M. Burton

A panel that advises the White House on cancer policy said urgent action is needed to curb a dramatic rise in the price of cancer drugs, which can cost more than $100,000 a year and entail thousands of dollars in out-of-pocket payments for many patients.

"More than ever, affordable access to drugs will be the difference between life and death for cancer patients," wrote members of the President's Cancer Panel. "Many new drugs do not provide benefits commensurate with their prices."

The panel broadly recommended that companies should be paid based on the value of drugs to patients, but didn't lay out concrete actions for policy makers to take.

The panel dates back to the Nixon administration's War on Cancer. The panel meets periodically and makes reports with recommendations to the president on ways to reduce the disease and its impact on Americans.

The panel currently is chaired by Dr. Barbara K. Rimer, dean and professor of public health at the University of North Carolina. She and the two other members who contributed to the report were appointed to the panel by President Barack Obama.

PhRMA, the drug-industry organization, didn't respond to a request for comment.

In his State of the Union address to Congress, Mr. Trump described the lowering of drug prices as "one of my greatest priorities," declaring "prices will come down." Through his secretary of Health and Human Services, Alex Azar, he made several proposals that could modestly bring prices down.

But they all stop short of a step that some public-interest groups contend could have more impact: the direct negotiation of prices by the federal Medicare program. This is something Mr. Trump advocated as a candidate but hasn't pursued in office.

Companies should be paid based on the value of treatments, members said.

Mr. Azar in February set out a series of proposals that could lead to lower prices, such as making generic drugs available free in the Medicare program. He also has called for allowing some state Medicaid programs to use their formularies—lists of approved drugs—to drive down costs in the state-federal program.

An HHS spokeswoman said the department was encouraged by the report's calls for urgent action to address the rise of cancer-drug prices and to better align prices with value.

The panelists who worked on the current report stressed that the drug business should be more transparent, so that consumers can know the price and can evaluate the value of products they buy. The report said pricing based on patients' outcomes "should be explored."

The Center for Health Policy and Outcomes at New York's Memorial Sloan Kettering Cancer Center last year wrote that new cancer drug prices ranged from $7,484 to $21,834 monthly. Some patients faced out-of-pocket costs of about $12,000 annually for just one drug in 2016, the Kaiser Family Foundation reported.

Sempra Energy CEO To Step Down in May

By Allison Prang

Sempra Energy said Monday its president and chief executive will step aside in May and that it is expanding its board to 14 directors from 13.

Debra Reed will retire from the president and CEO roles May 1, but stay on as board chairman until Dec. 1. Ms. Reed, who became CEO in 2011, has spent about 40 years working in Sempra companies.

San Diego-based Sempra owns both Southern California Gas Co. and San Diego Gas & Electric Co.

Ms. Reed's move comes shortly after Sempra closed on its deal to buy a majority stake in Oncor, a Texas electric-utility company, for $9.45 billion.

Sempra reached the deal for Oncor in August, beating out Berkshire Hathaway Inc. in a contest involving various suitors that lasted for years. The competition for the transmissions business dominated the bankruptcy of Energy Future Holdings Corp., the former TXU Corp.

Jeffrey Martin, Sempra's chief financial officer, will be the company's new CEO and join its board. Mr. Martin, 56 years old, has been finance chief since January 2017. In his new role, his annual base salary will be $1.1 million, according to a securities filing.

Sempra also said Monday that Joseph Householder, 62, will become president of the company on May 1. He is currently president of Sempra's infrastructure businesses. Mr. Householder will earn an annual salary of $1 million.

ADVERTISEMENT

Legal Notices

To advertise: 800-366-3975 or WSJ.com/classifieds

BANKRUPTCIES

IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	Chapter 11
EXCO RESOURCES, INC., et al.,[1]	§	Case No. 18-30155 (MI)
Debtors.	§	(Jointly Administered)

NOTICE OF DEADLINES FOR THE FILING OF PROOFS OF CLAIM, INCLUDING REQUESTS FOR PAYMENTS UNDER SECTION 503(b)(9) OF THE BANKRUPTCY CODE

THE CLAIMS BAR DATE IS APRIL 16, 2018 AT 5:00 P.M. PREVAILING CENTRAL TIME
THE GOVERNMENTAL CLAIMS BAR DATE IS SEPTEMBER 4, 2018
AT 5:00 P.M. PREVAILING CENTRAL TIME

PLEASE TAKE NOTICE OF THE FOLLOWING:

Deadlines for Filing Proofs of Claim. On March 7, 2018, the United States Bankruptcy Court for the Southern District of Texas (the "Court") entered an order [Docket No. 448] (the "Bar Date Order") establishing certain deadlines for the filing of proofs of claim, including requests for payment under section 503(b)(9) of the Bankruptcy Code (collectively, "Proofs of Claim"), in the chapter 11 cases of the following debtors and debtors in possession (collectively, the "Debtors"), along with each Case Number: EXCO Resources, Inc., 18-30155 (MI); EXCO GP Partners Old, LP, 18-30156 (MI); EXCO Holding (PA), Inc., 18-30157 (MI); EXCO Holding MLP, Inc., 18-30158 (MI); EXCO Land Company, LLC, 18-30159 (MI); EXCO Midcontinent MLP, LLC, 18-30160 (MI); EXCO Operating Company, LP, 18-30161 (MI); EXCO Partners GP, LLC, 18-30162 (MI); EXCO Partners OLP GP, LLC, 18-30163 (MI); EXCO Production Company (PA), LLC, 18-30164 (MI); EXCO Production Company (WV), LLC, 18-30165 (MI); EXCO Resources (XA), LLC, 18-30166 (MI); EXCO Services, Inc., 18-30167 (MI); Raider Marketing GP, LLC, 18-30168 (MI); and Raider Marketing, LP,18-30169 (MI).

The Bar Dates. Pursuant to the Bar Date Order, **all** entities (except governmental units), including individuals, partnerships, estates, and trusts that have a claim or potential claim against the Debtors that arose prior to January 15, 2018, no matter how remote or contingent such right to payment or equitable remedy may be, **including** requests for payment under section 503(b)(9) of the Bankruptcy Code, MUST FILE A PROOF OF CLAIM on or before **April 16, 2018, at 5:00 p.m., prevailing Central Time (the "Claims Bar Date")**. Governmental entities that have a claim or potential claim against the Debtors that arose prior to January 15, 2018, no matter how remote or contingent such right to payment or equitable remedy may be, MUST FILE A PROOF OF CLAIM on or before **September 4, 2018, at 5:00 p.m., prevailing Central Time (the "Governmental Bar Date")**. All entities holding claims arising from the rejection of executory contracts and unexpired leases of the Debtors are required to file proofs of claim by by the date that is **the date that is the later of the Claims Bar Date and the date that is twenty-eight (28) days following entry of the order approving the rejection of the applicable executory contract or unexpired lease of the Debtors (the "Rejection Damages Bar Date")**.

ANY PERSON OR ENTITY WHO FAILS TO FILE A PROOF OF CLAIM, INCLUDING ANY REQUEST FOR PAYMENT UNDER SECTION 503(B)(9) OF THE BANKRUPTCY CODE ON OR BEFORE THE CLAIMS BAR DATE OR GOVERNMENTAL BAR DATE, AS APPLICABLE, SHALL NOT BE TREATED AS A CREDITOR WITH RESPECT TO SUCH CLAIM FOR THE PURPOSES OF VOTING AND DISTRIBUTION ON ANY CHAPTER 11 PLAN.

Filing a Proof of Claim. Each Proof of Claim must be filed, including supporting documentation, by either (i) electronic submission through PACER (Public Access to Court Electronic Records at http://ecf.txsb.uscourts.gov), (ii) electronic submission using the interface available on the Claims and Administrative Agent's website at http://dm.epiq11.com/EXCO or (iii) if submitted through non-electronic means, by U.S. Mail or other hand delivery system, so as to be **actually received** by the Claims and Administrative Agent on or before the Claims Bar Date or the Governmental Bar Date at the following addresses: **If by First-Class Mail:** EXCO Resources, Inc. Claims Processing Center, c/o Epiq Bankruptcy Solutions, LLC, P.O. Box 4419, Beaverton, OR 97076-4419. **If by Hand Delivery or Overnight Mail:** EXCO Resources, Inc. Claims Processing Center, c/o Epiq Bankruptcy Solutions, LLC, 10300 SW Allen Blvd., Beaverton, OR 97005,

Contents of Proofs of Claim. Each Proof of Claim must: (1) be written in English; (2) include a claim amount denominated in United States dollars; (3) clearly identify the Debtor against which the claim is asserted; (4) conform substantially with the Proof of Claim form provided by the Debtors or Official Form 410; (5) be signed by the claimant or by an authorized agent or legal representative of the claimant on behalf of the claimant, whether such signature is an electronic signature or is ink; and (6) include as attachments any and all supporting documentation on which the claim is based. **Please note** that each Proof of Claim must state a claim against only one Debtor and clearly indicate the specific Debtor against which the claim is asserted. To the extent more than one Debtor is listed on the Proof of Claim, a Proof of Claim is treated as if filed only against EXCO Resources, Inc., or if a Proof of Claim is otherwise filed without identifying a specific Debtor, the Proof of Claim may be deemed as filed only against EXCO Resources, Inc.

Electronic Signatures Permitted. Proofs of Claim signed electronically by the claimant or an authorized agent or legal representative of the claimant may be deemed acceptable for purposes of claims administration. Copies of Proofs of Claim, or Proofs of Claim sent by facsimile or electronic mail will not be accepted. Unless otherwise ordered by the Court, any original document containing the original signature of any party other than the party that files the Proof of Claim shall be retained by the filing party for a period of not less than five (5) years after the Debtors' case is closed, and upon request, such original document must be provided to the Court or other parties for review, pursuant to the Administrative Procedures for the Filing, Signing, and Verifying of Documents by Electronic Means in Texas Bankruptcy Courts.

Section 503(b)(9) Requests for Payment. Any Proof of Claim that asserts a right to payment arising under section 503(b)(9) of the Bankruptcy Code must also: (1) include the value of the goods delivered to and received by the Debtors in the 20 days prior to the Petition Date; (2) attach any documentation identifying the particular invoices for which such 503(b)(9) claim is being asserted; and (3) attach documentation of any reclamation demand made to the Debtors under section 546(c) of the Bankruptcy Code (if applicable).

Additional Information. If you have any questions regarding the claims process and/or you wish to obtain a copy of the Bar Date Notice, a proof of claim form or related documents you may do so by: (i) calling the Debtors' restructuring hotline at (800) 683-4332; and/or (ii) visiting the Debtors' restructuring website at: http://dm.epiq11.com/EXCO.

Respectfully Submitted, Dated: March 8, 2018, /s/ Christopher T. Greco, Christopher T. Greco (admitted pro hac vice), **KIRKLAND & ELLIS LLP, KIRKLAND & ELLIS INTERNATIONAL LLP**, 601 Lexington Avenue, New York, New York 10022, Telephone: (212) 446-4800, Facsimile: (212) 446-4900, Email: christopher.greco@kirkland.com - and - Patrick J. Nash, Jr., P.C. (admitted pro hac vice), Alexandra Schwarzman (admitted pro hac vice), **KIRKLAND & ELLIS LLP, KIRKLAND & ELLIS INTERNATIONAL LLP**, 300 North LaSalle, Chicago, Illinois 60654, Telephone: (312) 862-2000, Facsimile: (312) 862-2200, Email: patrick.nash@kirkland.com, alexandra.schwarzman@kirkland.com - and - Marcus A. Helt (TX 24052187), Telephone: (214) 999-4526, Facsimile: (214) 999-3526, Email: mhelt@gardere.com, Michael K. Riordan (TX: 24070502), Telephone: (713) 276-5178, Facsimile: (713) 276-6178, Email: mriordan@gardere.com, **GARDERE WYNNE SEWELL LLP**, 1000 Louisiana St., Suite 2000, Houston, Texas 77002. Counsel for the Debtors and Debtors in Possession

[1]The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: EXCO Resources, Inc. (2779); EXCO GP Partners Old, LP (1262); EXCO Holding (PA), Inc. (1745); EXCO Holding MLP, Inc. (1972); EXCO Land Company, LLC (9981); EXCO Midcontinent MLP, LLC (0557); EXCO Operating Company, LP (1261); EXCO Partners GP, LLC (1258); EXCO Partners OLP GP, LLC (1252); EXCO Production Company (PA), LLC (7701); EXCO Production Company (WV), LLC (7851); EXCO Resources (XA), LLC (7775); EXCO Services, Inc. (2747); Raider Marketing GP, LLC (6366); and Raider Marketing, LP (4295). The location of the Debtors' service address is: 12377 Merit Drive, Suite 1700, Dallas, Texas 75251.

ADVERTISEMENT

The Mart

To advertise: 800-366-3975 or WSJ.com/classifieds

BUSINESS FOR SALE

MACHINE SHOP
OKLAHOMA AREA 28 YEARS IN BUSINESS
3M - 4M ANNUAL SALES
AUTOMOTIVE & OIL FIELD EQUIP
OVER 150 CUSTOMERS
Larry Aspegren, Aspen Com'l Realty
405 213 6473 AspegrenLL@aol.com

BUSINESS OPPORTUNITIES

FOUNDERS LEVEL INVESTMENT AVAIALBLE
NEW ONCHOLOGY PLATFORM
finance@ImmunoOncholytics.com

BUSINESS OPPORTUNITIES

Finance in Europe
Business financing at the Bankers Institute.
We Know Banking, We Know Banks.
Contact us:
http://www.thebankersinstitute.com/

TRAVEL

Save Up To 60%
First & Business
INTERNATIONAL
Major Airlines, Corporate Travel
Never Fly Coach Again!
www.cooktravel.net
(800) 435-8776

Gulfstream V
PARTNER WANTED
UNIQUE CO-OWNERSHIP OPPORTUNITY
MAINTENANCE COSTS COVERED
ZERO OVERHEAD • EAST COAST BASED PRINCIPALS ONLY
Interested Parties Contact:
gulfstream5partner@gmail.com

THE WALL STREET JOURNAL.
THE MART
ADVERTISE TODAY
(800) 366-3975
sales.mart@wsj.com
© 2018 Dow Jones & Company, Inc. All Rights Reserved.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

THE HORATIO ALGER ASSOCIATION OF DISTINGUISHED AMERICANS, INC. CONGRATULATES THE

2018 DENNIS R. WASHINGTON LEADERSHIP SCHOLARS

Funded by the Phyllis and Dennis R. Washington Foundation, the Dennis R. Washington Leadership Scholarship Program has awarded more than $5 million since 2008. Scholarships are awarded to Horatio Alger Alumni Scholars pursuing master's or doctoral degrees in the fields of business, education, engineering, medicine, and applied sciences. Recipients have demonstrated academic excellence, leadership abilities, and strength of character in the face of adversity. With the benefits afforded through advanced degree studies, they are poised to become leaders in their respective fields and change agents in our society.

Elise Byle
Doctor of Medicine
University of South Dakota Sanford School of Medicine

Erica Harp
Master of Science – Aerospace Engineering
University of Florida

Natasha Hongsermeier
Doctor of Medicine and Master of Public Health
University of Nebraska Medical Center

Justin Lindsey
Doctor of Education
University of West Georgia

Jeronimo Maradiaga
Doctor of Medicine*

Manuel Retana. Ph.D.
Doctor of Philosophy – Aeronautics and Astronautics Engineering*

Zachary Zins
Doctor of Medicine
The Ohio State University College of Medicine

For personal, non-commercial use only.

HONORING PERSEVERANCE, INTEGRITY, AND EXCELLENCE

Founded in 1947, the Horatio Alger Association of Distinguished Americans, Inc., fulfills its mission of honoring the achievements of outstanding individuals who have succeeded in spite of adversity and of encouraging young people to pursue their dreams through higher education. Each year the Association also welcomes new lifelong Members to its ranks through the presentation of the Horatio Alger Award. In 2018, the Association looks forward to honoring and inducting the 2018 class of new Members:

GREGORY E. ABEL
Vice-Chairman, Non-Insurance Business Operations
Berkshire Hathaway Inc.
Executive Chairman
Berkshire Hathaway Energy

RONALD M. BERGERON, SR.
Founder & CEO
Bergeron Land Development, Inc.
Bergeron Family of Companies
Bergeron Properties & Investment Corp.

DON R. DASEKE
Founder, Chairman, President, & CEO
Daseke Inc.

ALPHONSO R. JACKSON
CEO
A.R. Jackson Advisors LLC
13th U.S. Secretary of Housing and Urban Development

DAVID JOHNSTON (CANADA)
Chair
Rideau Hall Foundation
28th Governor General of Canada

LARRY LAWSON
Founder & CEO
HeartcoR Solutions, LLC

JAMES J. LIAUTAUD
Owner, Founder, & Chairman
Jimmy John's Gourmet Sandwiches

ROB LOWE
Film & Television Actor, Producer, Writer, Director, & New York Times Best-Selling Author

REBA MCENTIRE
Multimedia Entertainer & Entrepreneur

JAMES H. PUGH, JR.
Chief Executive Officer, Owner, & Chairman
Epoch Residential

ERNEST S. RADY
Founder, Executive Chairman of the Board, Chief Executive Officer, & President
American Assets Trust, Inc.
Founder & Chairman
ICW Group Insurance Companies

H. LEE SCOTT, JR.
Former President, CEO, & Chairman of the Executive Committee
Walmart Stores, Inc.

Horatio Alger Members serve as role models and fund undergraduate and graduate need-based scholarships and services for young people across the United States and Canada. Since the inception of its scholarship programs in 1984, the Association has awarded more than $125 million to more than 25,000 students.

* School selection pending

HORATIO ALGER ASSOCIATION of Distinguished Americans, Inc.

HORATIO ALGER ASSOCIATION OF CANADA

www.horatioalger.org
www.horatioalger.ca

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

Miners Contend With Accelerating Costs

Fuel, wages, chemicals grow more expensive, posing risk to gains made in turnaround

By Rhiannon Hoyle

The world's biggest mining companies, flush with profits from a recent commodity-market rebound, are grappling with a new challenge: how to keep rising costs from eating into those hard-earned gains.

For much of this decade, mining companies have prioritized reducing how much they spend to dig up each ton of the commodities they sell, after a market slump made it harder to turn a profit. Companies including **BHP Billiton**, **Rio Tinto** and **Glencore** PLC introduced drones and driverless trucks, cut tens of thousands of jobs and sought advice from other industries to make their pits more efficient.

Now the sector faces a fresh cost crunch as prices for things including fuel, wages and chemicals begin to climb. Energy bills are rising after an oil rally of more than 20% this past year. Raw materials including coke, which helps to fuel iron-ore smelters, and caustic soda, used to extract alumina from bauxite, are rocketing higher in price. Workers are demanding higher wages in many countries, including the copper-mining hub of Chile, where truck drivers say better metal prices should translate to fatter pay packets.

A depreciating U.S. dollar versus the currencies of top mining countries is also putting pressure on margins, as commodities are mostly sold using the U.S. currency. The South African rand is up 22% over the past four months.

"Clearly, inflation's becoming a bigger issue," said **Anglo American** PLC Chief Executive Mark Cutifani. "So we've got to run twice as hard." Costs are increasing for reasons similar to those driving the commodity-market turnaround: a healthier global economy and rising demand.

Mining companies stripped billions of dollars in costs from their operations as they sought to get a handle on budgets that spiraled during the latest commodities boom.

Between 2012 and 2016, copper producers slashed their output costs—the cost to produce 1 pound of metal—by roughly one-quarter, according to data from S&P Global Market Intelligence. Still, that followed a more-than-tripling of costs in the decade prior to 2012. S&P projects copper-output costs rose in 2017 for the first time in five years.

Right now, higher commodity prices are more than offsetting higher expenses. Commodity prices have climbed roughly 20% since mid-2017, according to the S&P GSCI commodities index, underpinned by synchronized economic growth in China, the U.S., Europe and major economies elsewhere.

Mining companies are making significant profits again. Rio Tinto and Anglo American both last month reported a doubling of annual net profit. Glencore said it quadrupled its earnings in 2017.

With fuel and other necessary raw materials getting more expensive, there will be pressure to find fresh cuts elsewhere to protect margins, executives said. A further rise in mining costs could provide a further boost to the commodity-market rally, analysts said, particularly if investors bet on it causing some smaller companies to pare production.

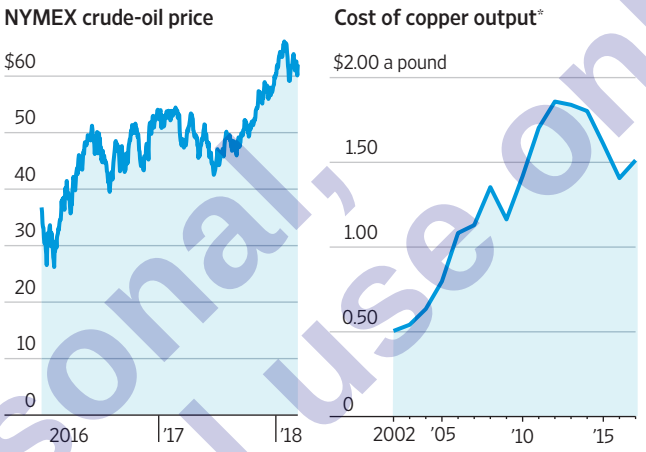
DIANA ZEYNEB ALHINDAWI FOR THE WALL STREET JOURNAL

Workers with a plate of copper at a mine in the Democratic Republic of the Congo that Glencore bought into last year.

Margin Threats

Rising oil prices are pushing up fuel bills for mining companies.

Despite moves to cut output costs, inflation is causing headwinds.



*2017 data is an estimate.
Sources: Thomson Reuters (oil prices); S&P Global Market Intelligence (copper cost)

THE WALL STREET JOURNAL.

BHP, Rivals Prepare For Inflation's Bite

The return of inflationary pressures sparked earnings misses for several mining titans during the latest corporate-earnings season, damping their stock-market rally.

Jefferies analyst Christopher LaFemina said **BHP Billiton** and **Rio Tinto**, among others, fell short of his earnings forecasts because of unexpectedly high costs.

Anglo American felt the sharpest sting in its South African coal division, where costs for its export operations jumped 29%.

Anglo CEO Mark Cutifani said the miner will race inflation to cut the costs it can, targeting an extra US$3 billion to US$4 billion in savings by 2022 through improvements to expenses, productivity and sales.

Rio Tinto forecast cost headwinds of US$300 million in 2018, which would erase half its projected productivity improvements for this year. "We will continue to be tough on costs," said Rio Chief Financial Officer Chris Lynch.

Glencore PLC finance chief Steve Kalmin said the company was experiencing rising prices in diesel, steel and explosives, among other things. There is also increasing competition for workers, although it is "nowhere near where things were back in the 2007-08" period when there was a scramble for basic skills, he said.

BHP warned of pockets of inflation in the company's petroleum and minerals businesses, although Chief Executive Andrew Mackenzie played down concerns that renewed pressures would dent the miner's bottom line.

"We, as a company, feel confident that we are able to quench that and continue to drive our cost down," he said.

For personal, non-commercial use only.

D/DNA
DATA / NEWS / ANALYTICS

Byte-Sized Insight

When it comes to yielding business insights, deeper is better.

The Dow Jones DNA data integration platform lets you access a 30-year-deep archive of news data from more than 8,000 premium, fully licensed sources. So you can bridge gaps between your organization's internal perspective and the external events that drive your business.

Discover contextual news and data at scale.
Visit dowjones.com/byte-sized

DOW JONES

©2018 Dow Jones & Company, Inc. All rights reserved.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

MARKETS DIGEST

EQUITIES

Dow Jones Industrial Average

25178.61 ▼157.13, or 0.62%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio	26.35	21.32
P/E estimate *	17.08	17.81
Dividend yield	2.12	2.34
All-time high	26616.71, 01/26/18	

*Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.

S&P 500 Index

2783.02 ▼3.55, or 0.13%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio *	25.79	24.68
P/E estimate *	17.75	18.27
Dividend yield	1.87	1.98
All-time high	2872.87, 01/26/18	

Nasdaq Composite Index

7588.32 ▲27.51, or 0.36%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio *	27.25	25.80
P/E estimate *	21.05	20.14
Dividend yield	0.99	1.13
All-time high:	7588.32, 03/12/18	

Major U.S. Stock-Market Indexes

	Latest High	Latest Low	Latest Close	Net chg	% chg	52-Week High	52-Week Low	% chg	% chg YTD	% chg 3-yr. ann.
Dow Jones										
Industrial Average	25449.15	25152.02	**25178.61**	-157.13	**-0.62**	26616.71	20404.49	**20.6**	1.9	**12.1**
Transportation Avg	10759.60	10677.19	**10706.93**	-32.98	**-0.31**	11373.38	8783.74	**15.7**	0.9	**5.9**
Utility Average	676.02	671.71	**675.34**	3.06	**0.46**	774.47	647.90	**-2.4**	-6.6	**5.3**
Total Stock Market	28937.68	28767.08	**28815.67**	-17.73	**-0.06**	29630.47	24125.20	**17.3**	4.1	**10.0**
Barron's 400	744.47	740.37	**742.84**	1.58	**0.21**	757.37	610.89	**18.9**	4.5	**9.8**
Nasdaq Stock Market										
Nasdaq Composite	7609.10	7563.44	**7588.32**	27.51	**0.36**	7588.32	5793.83	**29.1**	9.9	**15.7**
Nasdaq 100	7156.25	7108.04	**7131.12**	29.94	**0.42**	7131.12	5332.53	**32.2**	11.5	**18.0**
S&P										
500 Index	2796.98	2779.26	**2783.02**	-3.55	**-0.13**	2872.87	2328.95	**17.3**	4.1	**10.4**
MidCap 400	1956.51	1944.80	**1951.24**	2.18	**0.11**	1995.23	1681.04	**13.9**	2.7	**9.1**
SmallCap 600	977.58	970.41	**974.13**	3.87	**0.40**	979.57	815.62	**16.9**	4.0	**11.1**
Other Indexes										
Russell 2000	1603.79	1594.11	**1601.06**	3.91	**0.25**	1610.71	1345.24	**16.8**	4.3	**9.0**
NYSE Composite	12963.42	12881.17	**12898.40**	-20.42	**-0.16**	13637.02	11324.53	**12.0**	0.7	**6.0**
Value Line	570.93	567.82	**569.53**	0.82	**0.14**	589.69	503.24	**10.4**	1.3	**4.0**
NYSE Arca Biotech	4912.14	4861.08	**4899.16**	24.63	**0.51**	4939.86	3449.61	**35.4**	16.0	**6.5**
NYSE Arca Pharma	551.77	548.39	**549.14**	-0.85	**-0.15**	593.12	498.46	**7.0**	0.8	**-0.6**
KBW Bank	116.53	115.34	**115.52**	-0.58	**-0.50**	116.52	88.02	**19.5**	8.3	**16.0**
PHLX§ Gold/Silver	79.83	78.29	**79.67**	0.77	**0.98**	93.26	76.42	**-0.9**	-6.6	**6.7**
PHLX§ Oil Service	141.15	138.79	**139.95**	0.35	**0.25**	171.55	117.79	**-16.2**	-6.4	**-9.2**
PHLX§ Semiconductor	1453.50	1437.08	**1445.90**	14.74	**1.03**	1445.90	960.01	**44.7**	15.4	**27.2**
Cboe Volatility	16.35	15.18	**15.78**	1.14	**7.79**	37.32	9.14	**39.0**	42.9	**0.8**

§Nasdaq PHLX

Sources: SIX Financial Information; WSJ Market Data Group

Late Trading

Most-active and biggest movers among NYSE, NYSE Arca, NYSE Amer. and Nasdaq issues from 4 p.m. to 6:30 p.m. ET as reported by electronic trading services, securities dealers and regional exchanges. Minimum share price of $2 and minimum after-hours volume of 5,000 shares.

Most-active issues in late trading

Company	Symbol	Volume (000)	Last	Net chg	After Hours % chg	High	Low
SPDR S&P 500	SPY	9,255.1	278.46	-0.06	**-0.02**	278.91	278.19
Energy Transfer Equity	ETE	6,478.4	15.52	...	**unch.**	15.52	15.48
Pfizer	PFE	6,415.8	36.60	-0.01	**-0.03**	36.66	36.53
Blackstone Group	BX	5,849.2	34.43	...	**unch.**	34.50	34.30
Qualcomm	QCOM	4,629.6	62.80	-0.01	**-0.02**	63.00	62.70
Bank of America	BAC	4,475.7	32.80	-0.04	**-0.12**	32.88	32.80
VanEck Vectors Jr Gold	GDXJ	3,991.0	31.98	-0.01	**-0.03**	32.22	31.96
Ford Motor	F	3,974.0	10.83	0.02	**0.19**	10.84	10.79

Percentage gainers...

Proteostasis Therapeutics	PTI	1,264.2	6.00	1.86	**44.93**	6.07	4.14
Altimmune	ALT	128.1	2.03	0.29	**16.67**	2.29	1.71
Bovie Medical	BVX	8.2	2.55	0.23	**9.91**	2.56	2.50
Cenovus Energy	CVE	41.1	8.78	0.61	**7.47**	9.42	7.79
21Vianet Group ADR	VNET	11.9	8.89	0.61	**7.37**	8.89	8.28

...And losers

Commercial Vehicle Group	CVGI	35.6	9.15	-1.97	**-17.72**	11.12	9.00
Tilly's	TLYS	59.8	12.38	-1.96	**-13.67**	14.37	11.40
Liberty Oilfield Services	LBRT	20.9	16.50	-2.49	**-13.11**	18.99	16.00
National CineMedia	NCMI	27.9	6.05	-0.76	**-11.16**	6.88	6.00
Phoenix New Media ADR	FENG	6.3	5.10	-0.62	**-10.84**	5.88	5.10

Trading Diary

Volume, Advancers, Decliners

	NYSE	NYSE Amer.
Total volume*	796,866,218	10,784,278
Adv. volume*	460,649,790	6,249,180
Decl. volume*	322,819,787	4,014,541
Issues traded	3,067	327
Advances	1,616	172
Declines	1,311	135
Unchanged	140	20
New highs	147	4
New lows	25	16
Closing tick	78	14
Closing Arms†	0.85	0.65
Block trades*	6,090	116

	Nasdaq	NYSE Arca
Total volume*	2,277,195,808	205,503,797
Adv. volume*	1,390,410,541	124,228,421
Decl. volume*	854,097,040	76,641,868
Issues traded	3,074	1,347
Advances	1,737	860
Declines	1,193	449
Unchanged	144	38
New highs	270	81
New lows	25	22
Closing tick	422	46
Closing Arms†	0.89	1.35
Block trades*	10,093	1,099

* Primary market NYSE, NYSE American NYSE Arca only.
†(TRIN) A comparison of the number of advancing and declining issues with the volume of shares rising and falling. An Arms of less than 1 indicates buying demand; above 1 indicates selling pressure.

International Stock Indexes

Region/Country	Index	Close	Latest Net chg	Latest % chg	YTD % chg
World	**The Global Dow**	**3151.91**	8.50	**0.27**	2.1
	DJ Global Index	**407.95**	1.58	**0.39**	2.7
	DJ Global ex U.S.	**270.17**	2.34	**0.87**	1.3
Americas	**DJ Americas**	**665.89**	−0.44	**−0.07**	3.7
Brazil	**Sao Paulo Bovespa**	**86900.43**	529.02	**0.61**	13.7
Canada	**S&P/TSX Comp**	**15604.79**	26.98	**0.17**	−3.7
Mexico	**S&P/BMV IPC**	**48671.29**	114.84	**0.24**	−1.4
Chile	**Santiago IPSA**	**4271.03**	12.37	**0.29**	1.4
EMEA	**Stoxx Europe 600**	**379.20**	0.96	**0.25**	−2.6
Eurozone	**Euro Stoxx**	**382.56**	1.06	**0.28**	−0.8
Belgium	**Bel-20**	**4002.47**	15.43	**0.39**	0.6
Denmark	**OMX Copenhagen**	**910.34**	1.45	**0.16**	−1.8
France	**CAC 40**	**5276.71**	2.31	**0.04**	−0.7
Germany	**DAX**	**12418.39**	71.71	**0.58**	−3.9
Israel	**Tel Aviv**	**1493.78**	12.43	**0.84**	−1.1
Italy	**FTSE MIB**	**22764.91**	19.31	**0.08**	4.2
Netherlands	**AEX**	**538.43**	1.29	**0.24**	−1.1
Russia	**RTS Index**	**1283.18**	−2.35	**−0.18**	11.2
South Africa	**FTSE/JSE All-Share**	**59194.45**	25.22	**0.04**	−0.5
Spain	**IBEX 35**	**9727.50**	41.40	**0.43**	−3.2
Sweden	**SX All Share**	**578.21**	1.60	**0.28**	1.7
Switzerland	**Swiss Market**	**8970.74**	38.89	**0.44**	−4.4
Turkey	**BIST 100**	**118411.44**	1496.92	**1.28**	2.7
U.K.	**FTSE 100**	**7214.76**	−9.75	**−0.13**	−6.2
U.K.	**FTSE 250**	**20117.53**	32.46	**0.16**	−2.9
Asia-Pacific					
Australia	**S&P/ASX 200**	**5996.10**	32.90	**0.55**	−1.1
China	**Shanghai Composite**	**3326.70**	19.53	**0.59**	0.6
Hong Kong	**Hang Seng**	**31594.33**	598.12	**1.93**	5.6
India	**S&P BSE Sensex**	**33917.94**	610.80	**1.83**	−0.4
Japan	**Nikkei Stock Avg**	**21824.03**	354.83	**1.65**	−4.1
Singapore	**Straits Times**	**3540.19**	54.62	**1.57**	4.0
South Korea	**Kospi**	**2484.12**	24.67	**1.00**	0.7
Taiwan	**Weighted**	**11002.10**	137.28	**1.26**	3.4
Thailand	**SET**	**1800.32**	24.95	**1.41**	2.7

Sources: SIX Financial Information; WSJ Market Data Group

Percentage Gainers...

Company	Symbol	Latest Session Close	Net chg	% chg	52-Week High	Low	% chg
BlueLinx Holdings	BXC	28.03	12.24	**77.52**	31.60	7.57	**251.3**
Net Element	NETE	13.50	3.21	**31.20**	33.51	2.56	**51.7**
NTN Buzztime	NTN	6.60	1.56	**30.90**	8.85	3.01	**-9.5**
Oclaro Inc	OCLR	10.01	2.16	**27.52**	10.93	5.61	**19.0**
Loop Industries	LOOP	16.50	3.50	**26.92**	19.00	5.00	**200.0**
Innovate Biopharm	INNT	18.82	3.92	**26.33**	23.50	3.43	**33.5**
Pacific Ethanol	PEIX	4.15	0.80	**23.88**	7.58	3.10	**-42.4**
Utd Community Bancorp	UCBA	24.90	4.70	**23.27**	25.20	17.50	**41.5**
Arcadia Biosciences	RKDA	12.80	2.40	**23.08**	18.88	3.60	**-22.9**
CounterPath	CPAH	4.63	0.84	**22.17**	7.30	1.75	**88.2**
Carver Bancorp	CARV	3.32	0.60	**22.06**	7.95	2.01	**5.4**
Juniper Pharmaceuticals	JNP	10.90	1.60	**17.20**	11.15	3.65	**115.8**
China Customer Relations	CCRC	15.26	2.11	**16.05**	23.40	10.75	**12.7**
Novelion Therapeutics	NVLN	5.08	0.68	**15.45**	12.12	3.08	**-57.4**
Codexis	CDXS	12.80	1.70	**15.32**	12.80	3.95	**181.3**

Percentage Losers

Company	Symbol	Latest Session Close	Net chg	% chg	52-Week High	Low	% chg
Anthera Pharmaceuticals	ANTH	0.51	-2.14	**-80.87**	5.60	0.40	**-90.8**
Tintri	TNTR	4.76	-1.79	**-27.33**	7.75	2.78	**...**
CGG ADR	CGG	2.85	-0.95	**-25.00**	7.67	2.85	**-59.6**
ShiftPixy	PIXY	3.73	-0.89	**-19.26**	11.64	2.00	**...**
Integrated Media Tech	IMTE	4.03	-0.84	**-17.25**	10.00	4.00	**...**
Bridgford Foods	BRID	17.90	-3.09	**-14.72**	21.55	10.76	**44.7**
RXi Pharmaceuticals	RXII	3.76	-0.54	**-12.56**	11.20	2.51	**-55.8**
Presbia	LENS	2.31	-0.32	**-12.17**	7.14	1.86	**-26.4**
Calithera Biosciences	CALA	7.13	-0.98	**-12.04**	20.05	6.57	**-50.9**
Oragenics	OGEN	2.31	-0.30	**-11.49**	6.80	0.60	**-48.7**
Azure Power Global	AZRE	14.29	-1.83	**-11.35**	22.00	12.53	**-15.5**
PICO Holdings	PICO	11.00	-1.40	**-11.29**	20.20	10.60	**-20.6**
HC2 Holdings	HCHC	5.10	-0.64	**-11.15**	6.71	4.30	**-10.5**
Zosano Pharma	ZSAN	15.39	-1.86	**-10.78**	46.40	3.61	**-66.0**
NMI Holdings Cl A	NMIH	18.05	-2.15	**-10.64**	21.92	10.10	**60.4**

Most Active Stocks

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session Close	% chg	52-Week High	Low
Micron Technology	MU	**136,445**	211.5	59.37	**8.76**	61.17	24.94
Advanced Micro Devices	AMD	**83,070**	50.0	11.52	**-1.54**	15.65	9.70
Oclaro Inc	OCLR	**79,945**	1591.6	10.01	**27.52**	10.93	5.61
General Electric	GE	**68,565**	-21.0	15.10	**1.07**	30.54	13.95
SPDR S&P 500	SPY	**62,588**	-43.0	278.52	**-0.13**	286.63	231.61
Bank of America	BAC	**55,805**	-24.5	32.84	**0.37**	33.05	22.07
Finl Select Sector SPDR	XLF	**50,590**	-19.9	29.60	**-0.34**	30.33	22.00
iShares MSCI Emg Markets	EEM	**50,579**	-27.8	49.87	**0.24**	52.08	38.29
Neovasc	NVCN	**49,122**	840.7	0.18	**-8.67**	2.12	0.17
Jaguar Health	JAGX	**45,722**	413.4	0.26	**17.94**	1.30	0.11

* Volumes of 100,000 shares or more are rounded to the nearest thousand

Volume Movers

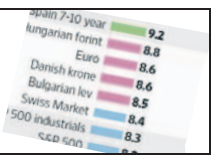
Ranked by change from 65-day average*

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session Close	% chg	52-Week High	Low
Columbia Div Fixed Income	DIAL	1,030	**16346**	19.47	**0.05**	20.09	19.38
Utd Community Bancorp	UCBA	418	**7382**	24.90	**23.27**	25.20	17.50
Arcadia Biosciences	RKDA	3,525	**4246**	12.80	**23.08**	18.88	3.60
BlueLinx Holdings	BXC	4,978	**2985**	28.03	**77.52**	31.60	7.57
InfoSonics	IFON	559	**2205**	8.15	**8.19**	26.00	6.00
Tintri	TNTR	11,270	**1935**	4.76	**-27.33**	7.75	2.78
MSB Financial	MSBF	141	**1916**	17.85	**-0.64**	19.30	15.05
Oclaro Inc	OCLR	79,945	**1592**	10.01	**27.52**	10.93	5.61
iKang Healthcare ADR	KANG	3,031	**1426**	18.80	**4.91**	19.58	11.70
NTN Buzztime	NTN	96	**1288**	6.60	**30.90**	8.85	3.01

* Common stocks priced at $2 a share or more with an average volume over 65 trading days of at least 5,000 shares †Has traded fewer than 65 days

Track the Markets

Compare the performance of selected global stock indexes, bond ETFs, currencies and commodities at **WSJ.com/TrackTheMarkets**

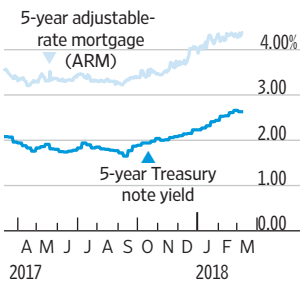


CREDIT MARKETS

Consumer Rates and Returns to Investor

U.S. consumer rates

A consumer rate against its benchmark over the past year



Selected rates

Five-year ARM, Rate

Bankrate.com avg†:	**4.38%**
Proponent Federal Credit Union	**2.75%**
Nutley, NJ	973-338-1133
Affinity FCU	**3.00%**
Bedminster, NJ	800-860-3700
Financial Resources Federal Credit Union	**3.00%**
Bridgewater, NJ	800-933-3280
Foxboro Federal Savings	**3.00%**
Foxboro, MA	877-369-3331
Langley FCU	**3.00%**
Newport News, VA	800-826-7490

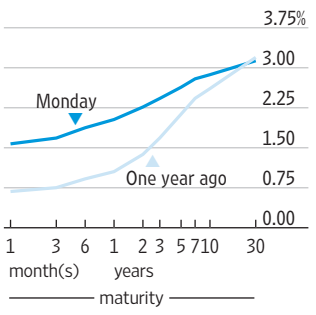
Interest rate	Yield/Rate (%) Last	Week ago	52-Week Range (%) Low	High	3-yr chg (pct pts)
Federal-funds rate target	**1.25-1.50**	1.25-1.50	0.50	1.50	**1.25**
Prime rate*	**4.50**	4.50	3.75	4.50	**1.25**
Libor, 3-month	**2.11**	2.03	1.13	2.11	**1.84**
Money market, annual yield	**0.30**	0.30	0.25	0.36	**-0.11**
Five-year CD, annual yield	**1.62**	1.60	1.26	1.62	**0.12**
30-year mortgage, fixed†	**4.46**	4.43	3.73	4.48	**0.49**
15-year mortgage, fixed†	**3.92**	3.91	2.99	3.94	**0.71**
Jumbo mortgages, $424,100-plus†	**4.75**	4.66	4.21	4.96	**0.23**
Five-year adj mortgage (ARM)†	**4.38**	4.27	3.20	4.38	**0.66**
New-car loan, 48-month	**3.54**	3.52	2.85	3.60	**0.49**

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

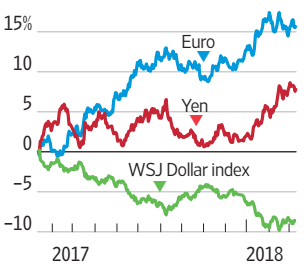
Treasury yield curve

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	1425.889	**2.688**	2.687	2.736	1.818	**0.918**	0.361
10-yr Treasury, Ryan ALM	1668.529	**2.870**	2.879	2.943	2.058	**2.161**	−0.381
DJ Corporate	370.108	**3.745**	3.734	3.747	2.879	**3.187**	2.239
Aggregate, Barclays Capital	1903.420	**3.180**	3.170	3.180	2.380	**1.729**	1.262
High Yield 100, Merrill Lynch	2840.520	**6.035**	6.097	6.319	4.948	**4.382**	3.719
Fixed-Rate MBS, Barclays	1953.830	**3.380**	3.390	3.400	2.660	**1.346**	1.126
Muni Master, Merrill	514.680	**2.492**	2.436	2.492	1.736	**2.781**	1.917
EMBI Global, J.P. Morgan	n.a.	**n.a.**	6.007	n.a.	n.a.	**n.a.**	n.a.

Sources: J.P. Morgan; Ryan ALM; S&P Dow Jones Indices; Barclays Capital; Merrill Lynch

CURRENCIES & COMMODITIES

Currencies

U.S.-dollar foreign-exchange rates in late New York trading

Country/currency	Mon in US$	Mon per US$	US$ vs, YTD chg (%)
Americas			
Argentina peso	.0495	20.1945	**8.6**
Brazil real	.3066	3.2618	**−1.5**
Canada dollar	.7787	1.2843	**2.1**
Chile peso	.001656	603.90	**−1.9**
Ecuador US dollar	1	1	**unch**
Mexico peso	.0538	18.5881	**−5.5**
Uruguay peso	.03529	28.3400	**−1.6**
Venezuela b. fuerte	.00002	53995	0.0001	386194.5
Asia-Pacific			
Australian dollar	.7872	1.2703	**−0.8**
China yuan	.1580	6.3300	**−2.7**
Hong Kong dollar	.1275	7.8407	**0.4**
India rupee	.01539	64.966	**1.7**
Indonesia rupiah	.0000727	13754	**2.0**
Japan yen	.009397	106.41	**−5.6**
Kazakhstan tenge	.003114	321.16	**−3.5**
Macau pataca	.1239	8.0727	**0.3**
Malaysia ringgit	.2561	3.9045	**−3.9**
New Zealand dollar	.7295	1.3708	**−2.8**
Pakistan rupee	.00904	110.600	**−0.05**
Philippines peso	.0192	52.004	**4.1**
Singapore dollar	.7617	1.3128	**−1.8**
South Korea won	.0009389	1065.02	**−0.2**
Sri Lanka rupee	.0064247	155.65	**1.4**
Taiwan dollar	.03416	29.271	**−1.3**
Thailand baht	.03195	31.300	**−4.0**
Vietnam dong	.00004394	22759	**0.2**

Country/currency	Mon in US$	Mon per US$	US$ vs, YTD chg (%)
Europe			
Czech Rep. koruna	.04846	20.637	**−3.0**
Denmark krone	.1656	6.0378	**−2.7**
Euro area euro	1.2337	.8106	**−2.7**
Hungary forint	.003955	252.86	**−2.4**
Iceland krona	.010020	99.80	**−3.6**
Norway krone	.1291	7.7436	**−5.6**
Poland zloty	.2933	3.4091	**−2.0**
Russia ruble	.01759	56.855	**−1.4**
Sweden krona	.1213	8.2415	**0.7**
Switzerland franc	1.0554	.9475	**−2.8**
Turkey lira	.2602	3.8438	**1.3**
Ukraine hryvnia	.0384	26.0564	**−7.4**
UK pound	1.3907	.7191	**−2.8**
Middle East/Africa			
Bahrain dinar	2.6523	.3770	**−0.02**
Egypt pound	.0567	17.6315	**−0.8**
Israel shekel	.2904	3.4436	**−1.0**
Kuwait dinar	3.3342	.2999	**−0.5**
Oman sul rial	2.5974	.3850	**0.01**
Qatar rial	.2747	3.640	**−0.2**
Saudi Arabia riyal	.2666	3.7507	**0.01**
South Africa rand	.0846	11.8235	**−4.3**

	Close	Net Chg	% Chg	YTD % Chg
WSJ Dollar Index	83.63	−0.18	−0.22	**−2.72**

Sources: Tullett Prebon, WSJ Market Data Group

Commodities

	Close	Monday Net chg	% Chg	52-Week High	Low	% Chg	YTD % chg
DJ Commodity	**629.97**	-1.98	**-0.31**	645.87	532.01	**12.62**	0.74
TR/CC CRB Index	**194.53**	-0.62	**-0.32**	200.52	166.50	**6.21**	0.34
Crude oil, $ per barrel	**61.36**	-0.68	**-1.10**	66.14	42.53	**26.78**	1.56
Natural gas, $/MMBtu	**2.778**	0.046	**1.68**	3.63	2.55	**-8.71**	-5.93
Gold, $ per troy oz.	**1319.40**	-3.00	**-0.23**	1362.40	1200.10	**9.73**	1.00

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

COMMODITIES

WSJ.com/commodities

Futures Contracts

Metal & Petroleum Futures

	Open	Contract High	hi lo	Low	Settle	Chg	Open interest
Copper-High (CMX)-25,000 lbs.; $ per lb.							
March	3.1235	3.1250		3.0920	**3.1040**	–0.0120	2,796
May	3.1470	3.1555		3.1095	**3.1240**	–0.0120	146,043
Gold (CMX)-100 troy oz.; $ per troy oz.							
March	...	...		...	**1319.40**	–3.00	543
April	1324.10	1325.00		1315.30	**1320.80**	–3.20	260,706
June	1329.80	1330.40		1321.40	**1326.70**	–3.20	144,629
Aug	1334.40	1336.20		1327.70	**1332.50**	–3.30	33,122
Oct	1335.60	1338.30		1335.60	**1338.30**	–3.30	5,504
Dec	1347.00	1347.60		1339.10	**1344.40**	–3.30	39,564
Palladium (NYM) - 50 troy oz.; $ per troy oz.							
March	...	...		...	**971.40**	–19.20	18
June	991.50	992.10		966.00	**967.65**	–19.20	23,967
Sept	984.00	984.00		964.05	**962.15**	–20.50	926
Platinum (NYM)-50 troy oz.; $ per troy oz.							
April	966.90	968.70		958.10	**962.90**	–1.30	60,076
July	971.00	973.50		963.90	**968.00**	–1.30	19,263
Silver (CMX)-5,000 troy oz.; $ per troy oz.							
March	16.565	16.565		16.390	**16.471**	–0.075	499
May	16.605	16.635		16.430	**16.536**	–0.072	143,245
Crude Oil, Light Sweet (NYM)-1,000 bbls.; $ per bbl.							
April	62.11	62.33		60.67	**61.36**	–0.68	283,297
May	61.98	62.22		60.63	**61.33**	–0.59	385,283
June	61.75	61.99		60.48	**61.16**	–0.53	324,283
July	61.38	61.63		60.17	**60.87**	–0.46	123,200
Sept	60.58	60.73		59.35	**60.06**	–0.36	136,725
Dec	59.22	59.46		58.15	**58.87**	–0.26	241,699
NY Harbor ULSD (NYM)-42,000 gal.; $ per gal.							
April	1.8869	1.8890		1.8375	**1.8647**	–.0219	86,765
May	1.8887	1.8934		1.8442	**1.8687**	–.0213	82,078
Gasoline-NY RBOB (NYM)-42,000 gal.; $ per gal.							
April	1.8993	1.9027		1.8649	**1.8940**	–.0103	95,829
May	1.9139	1.9180		1.8798	**1.9086**	–.0096	118,368
Natural Gas (NYM)-10,000 MMBtu.; $ per MMBtu.							
April	2.738	2.804		2.718	**2.778**	.046	230,455
May	2.764	2.826		2.740	**2.800**	.041	251,719
June	2.814	2.869		2.788	**2.846**	.040	84,320
July	2.857	2.916		2.839	**2.894**	.039	115,202
Sept	2.845	2.902		2.833	**2.886**	.037	77,318
Oct	2.860	2.912		2.846	**2.898**	.037	128,600

Agriculture Futures

	Open	Contract High	hi lo	Low	Settle	Chg	Open interest
Corn (CBT)-5,000 bu.; cents per bu.							
March	382.75	384.25		380.50	**384.25**	1.25	4,064
May	389.50	391.25		387.00	**390.50**	2.00	739,851
Oats (CBT)-5,000 bu.; cents per bu.							
May	262.75	271.25		262.00	**262.75**	2.00	4,681
July	264.00	272.75	▼	263.25	**264.75**	1.75	659
Soybeans (CBT)-5,000 bu.; cents per bu.							
March	1023.00	1034.25		1023.00	**1033.25**	4.00	1,875
May	1036.00	1045.00		1032.00	**1041.00**	1.75	403,780
Soybean Meal (CBT)-100 tons; $ per ton.							
March	372.00	372.00		369.70	**369.80**	–1.90	277
May	372.10	375.60		370.20	**370.40**	–3.20	224,086
Soybean Oil (CBT)-60,000 lbs.; cents per lb.							
March	31.42	31.55		31.42	**31.56**	.14	50
May	31.59	31.77		31.47	**31.75**	.16	249,178
Rough Rice (CBT)-2,000 cwt.; $ per cwt.							
May	1233.00	1235.00		1222.00	**1230.50**	–2.50	6,117
July	1243.00	1250.00	▼	1235.50	**1247.00**	–4.00	1,239
Wheat (CBT)-5,000 bu.; cents per bu.							
March	486.00	486.00		483.50	**489.75**	.75	111
May	488.50	492.75		483.00	**490.75**	1.50	216,144
Wheat (KC)-5,000 bu.; cents per bu.							
March	520.00	520.00		513.75	**508.00**	1.00	54
May	521.00	525.00		513.00	**520.50**	1.75	125,795
Wheat (MPLS)-5,000 bu.; cents per bu.							
March	622.75	625.50		622.75	**625.50**	10.50	5
May	617.25	625.00		615.00	**624.50**	7.00	32,100
Cattle-Feeder (CME)-50,000 lbs.; cents per lb.							
March	143.100	143.250		141.700	**142.175**	–.350	6,690
April	143.700	143.850		142.125	**142.575**	–.575	16,593
Cattle-Live (CME)-40,000 lbs.; cents per lb.							
April	123.300	123.475		121.275	**121.550**	–1.575	91,352
June	114.450	114.575		112.850	**113.275**	–1.025	142,595
Hogs-Lean (CME)-40,000 lbs.; cents per lb.							
April	67.500	67.825		66.525	**67.675**	–.175	52,889
June	77.525	77.525	▼	76.525	**77.050**	–.625	68,691
Lumber (CME)-110,000 bd. ft., $ per 1,000 bd. ft.							
March	507.80	513.80		500.80	**513.30**	8.30	263
May	484.10	492.70		481.40	**486.40**	3.00	5,068
Milk (CME)-200,000 lbs., cents per lb.							
March	14.22	14.25		14.18	**14.18**	–.01	4,294
April	14.05	14.06		13.86	**13.90**	–.13	3,665
Cocoa (ICE-US)-10 metric tons; $ per ton.							
March	2,529	2,529	▲	2,491	**2,565**	87	155
May	2,472	2,569	▲	2,453	**2,546**	81	126,200
Coffee (ICE-US)-37,500 lbs.; cents per lb.							
March	119.75	119.75		119.40	**118.15**	–.70	30
May	120.00	120.10		118.90	**119.45**	–.70	137,505
Sugar-World (ICE-US)-112,000 lbs.; cents per lb.							
May	12.86	12.96		12.78	**12.93**	.09	426,459
July	13.07	13.18		12.99	**13.16**	.10	183,411
Sugar-Domestic (ICE-US)-112,000 lbs.; cents per lb.							
May	24.75	24.75	▼	24.75	**24.75**	–.20	3,203
July	25.51	25.51	▼	25.45	**25.45**	–.25	2,912
Cotton (ICE-US)-50,000 lbs.; cents per lb.							
May	84.49	85.03		82.88	**83.28**	–1.24	129,066
Dec	78.60	78.75	▲	78.30	**78.72**	...	67,840
Orange Juice (ICE-US)-15,000 lbs.; cents per lb.							
March	142.40	142.40		142.00	**139.85**	...	9
May	139.50	141.05		138.75	**138.80**	–1.55	9,214

Interest Rate Futures

	Open	Contract High	hi lo	Low	Settle	Chg	Open interest
Treasury Bonds (CBT)-$100,000; pts 32nds of 100%							
March	144-000	144-250		143-290	**144-240**	19.0	2,183
June	143-020	143-260		142-270	**143-230**	19.0	805,013
Treasury Notes (CBT)-$100,000; pts 32nds of 100%							
March	120-195	120-280		120-175	**120-270**	6.0	32,631
June	119-315	120-080		119-285	**120-065**	5.5	3,384,866
5 Yr. Treasury Notes (CBT)-$100,000; pts 32nds of 100%							
March	114-080	114-115		114-065	**114-110**	2.2	33,883
June	113-305	114-025		113-287	**114-015**	2.5	3,294,761
2 Yr. Treasury Notes (CBT)-$200,000; pts 32nds of 100%							
March	106-167	106-175		106-165	**106-175**	.2	30,099
June	106-080	106-085		106-070	**106-082**	.5	1,868,635
30 Day Federal Funds (CBT)-$5,000,000; 100 - daily avg.							
March	98.505	98.508		98.505	**98.505**	.002	106,032
April	98.335	98.340	▼	98.335	**98.340**	...	413,049
10 Yr. Del. Int. Rate Swaps (CBT)-$100,000; pts 32nds of 100%							
March	93.719	93.953		93.719	**93.938**	.188	22,139
June	93.484	93.703		93.484	**93.703**	.188	20,687
1 Month Libor (CME)-$3,000,000; pts of 100%							
March	...	...		98.1725	**98.1700**	–.0050	1,238
Eurodollar (CME)-$1,000,000; pts of 100%							
March	97.8500	97.8525	▼	97.8350	**97.8400**	–.0125	1,296,511
June	97.7250	97.7300		97.7050	**97.7150**	–.0150	1,654,186
Dec	97.4800	97.4800		97.4550	**97.4650**	–.0150	1,908,713
Dec'19	97.1150	97.1250		97.1000	**97.1150**	...	2,174,549

Currency Futures

	Open	Contract High	hi lo	Low	Settle	Chg	Open interest
Japanese Yen (CME)-¥12,500,000; $ per 100¥							
March	.9371	.9412		.9350	**.9406**	.0035	244,776
June	.9430	.9470		.9409	**.9466**	.0036	29,948
Canadian Dollar (CME)-CAD 100,000; $ per CAD							
March	.7805	.7811		.7786	**.7794**	.0001	121,533
June	.7821	.7827		.7800	**.7809**	...	21,934
British Pound (CME)-£62,500; $ per £							
March	1.3857	1.3920		1.3843	**1.3910**	.0058	166,022
June	1.3911	1.3977		1.3901	**1.3967**	.0058	31,524
Swiss Franc (CME)-CHF 125,000; $ per CHF							
March	1.0518	1.0576		1.0515	**1.0570**	.0048	57,381
June	1.0593	1.0660		1.0593	**1.0654**	.0049	4,839
Australian Dollar (CME)-AUD 100,000; $ per AUD							
March	.7849	.7880		.7849	**.7877**	.0029	93,328
April	.7855	.7880		.7851	**.7879**	.0029	842
May	.7855	.7880		.7855	**.7879**	.0029	409
June	.7851	.7883		.7851	**.7880**	.0029	7,977
Sept	.7885	.7885		.7877	**.7885**	.0029	495
Dec	.7845	.7860		.7840	**.7893**	.0030	311
Mexican Peso (CME)-MXN 500,000; $ per MXN							
March	.05365	.05381		.05346	**.05369**	.00007	175,890
June	.05292	.05306		.05271	**.05294**	.00008	20,386
Euro (CME)-€125,000; $ per €							
March	1.2318	1.2351		1.2295	**1.2342**	.0021	435,798
June	1.2399	1.2437		1.2382	**1.2428**	.0022	113,729

Index Futures

	Open	Contract High	hi lo	Low	Settle	Chg	Open interest
Mini DJ Industrial Average (CBT)-$5 x index							
March	25359	25510		25151	**25208**	–127	90,071
June	25364	25535		25180	**25238**	–122	46,258
S&P 500 Index (CME)-$250 x index							
March	2790.50	2796.00		2780.00	**2784.10**	0.20	76,601
June	2796.30	2805.00		2784.50	**2789.10**	0.30	9,110
Mini S&P 500 (CME)-$50 x index							
March	2784.00	2800.50		2779.00	**2784.00**	...	2,313,022
June	2788.75	2805.25		2783.75	**2789.00**	0.25	1,166,354
Mini S&P Midcap 400 (CME)-$100 x index							
March	1949.40	1957.80		1945.20	**1952.00**	2.00	45,682
June	1952.50	1963.10		1950.10	**1956.50**	1.80	36,247
Mini Nasdaq 100 (CME)-$20 x index							
March	7099.3	7158.8	▲	7084.0	**7139.5**	41.3	196,354
June	7132.8	7185.0	▲	7124.0	**7165.8**	41.5	76,157
Mini Russell 2000 (ICE-US)-$100 x index							
March	1593.20	1606.50		1593.20	**1601.90**	5.00	24,770
June	1604.70	1610.50	▲	1597.50	**1605.80**	4.90	1,307
Mini Russell 1000 (ICE-US)-$100 x index							
March	1545.40	1548.30		1540.90	**1542.90**	.30	367
June	1551.40	1551.40	▲	1545.00	**1545.30**	–.70	8
U.S. Dollar Index (ICE-US)-$1,000 x index							
March	90.07	90.17		89.82	**89.87**	–.20	26,673
June	89.68	89.72		89.37	**89.43**	–.22	6,836

Source: SIX Financial Information

Cash Prices | WSJ.com/commodities

Monday, March 12, 2018

These prices reflect buying and selling of a variety of actual or "physical" commodities in the marketplace—separate from the futures price on an exchange, which reflects what the commodity might be worth in future months.

	Monday
Energy	
Propane,tet,Mont Belvieu-g	0.7598
Butane,normal,Mont Belvieu-g	0.9036
NaturalGas,HenryHub-i	2.770
NaturalGas,TranscoZone3-i	2.740
NaturalGas,TranscoZone6NY-i	3.130
NaturalGas,PanhandleEast-i	2.260
NaturalGas,Opal-i	2.330
NaturalGas,MarcellusNE PA-i	2.530
NaturalGas,HaynesvilleN.LA-i	2.670
Coal,C.Aplc.,12500Btu,1.2SO2-r,w	63.100
Coal,PwdrRvrBsn,8800Btu,0.8SO2-r,w	12.400
Metals	
Gold, per troy oz	
Engelhard industrial	1322.89
Engelhard fabricated	1422.11
Handy & Harman base	1319.15
Handy & Harman fabricated	1464.25
LBMA Gold Price AM	*1319.35
LBMA Gold Price PM	*1320.60
Krugerrand,wholesale-e	1373.32
Maple Leaf-e	1386.53
American Eagle-e	1386.53
Mexican peso-e	1600.13
Austria crown-e	1297.35
Austria phil-e	1386.53
Silver, troy oz.	
Engelhard industrial	16.5500
Engelhard fabricated	19.8600
Handy & Harman base	16.4990
Handy & Harman fabricated	20.6240
LBMA spot price	£11.8800
(U.S.$ equivalent)	16.4550
Coins,wholesale $1,000 face-a	12209
Other metals	
LBMA Platinum Price PM	*949.0
Platinum,Engelhard industrial	965.0
Platinum,Engelhard fabricated	1065.0
Palladium,Engelhard industrial	993.0
Palladium,Engelhard fabricated	1093.0
Aluminum, LME, $ per metric ton	*2078.5
Copper,Comex spot	3.1040
Iron Ore, 62% Fe CFR China-s	69.0
Shredded Scrap, US Midwest-s,m	366
Steel, HRC USA, FOB Midwest Mill-s	852
Fibers and Textiles	
Burlap,10-oz,40-inch NY yd-n,w	0.6200
Cotton,11/16 std lw-mdMphs-u	0.8228
Cotlook 'A' Index-t	*94.40
Hides,hvy native steers piece fob-u	n.a.
Wool,64s,staple,Terr del-u,w	n.a.
Grains and Feeds	
Barley,top-quality Mnpls-u	n.a.
Bran,wheat middlings, KC-u	101
Corn,No. 2 yellow,Cent IL-bp,u	3.6100
Corn gluten feed,Midwest-u,w	107.5
Corn gluten meal,Midwest-u,w	496.2
Cottonseed meal-u,w	323
Hominy feed,Cent IL-u,w	98
Meat-bonemeal,50% pro Mnpls-u,w	258
Oats,No.2 milling,Mnpls-u	2.9275
Rice, Long Grain Milled, No. 2 AR-u,w	25.50
Sorghum,(Milo) No.2 Gulf-u	8.3613
SoybeanMeal,Cent IL,rail,ton48%-u	374.40
Soybeans,No.1 yllw IL-bp,u	9.9050
Wheat,Spring14%-pro Mnpls-u	7.7700
Wheat,No.2 soft red,St.Louis-bp,u	4.8900
Wheat - Hard - KC (USDA) $ per bu-u	5.1225
Wheat,No.1soft white,Portld,OR-u	5.5288
Food	
Beef,carcass equiv. index	
choice 1-3,600-900 lbs.-u	201.21
select 1-3,600-900 lbs.-u	193.95
Broilers, National comp wghtd-u,w	0.9396
Butter,AA Chicago	2.2050
Cheddar cheese,bbl,Chicago	150.00
Cheddar cheese,blk,Chicago	155.00
Milk,Nonfat dry,Chicago lb.	69.25
Cocoa,Ivory Coast-w	n.a.
Coffee,Brazilian,Comp	1.2003
Coffee,Colombian, NY	1.3957
Eggs,large white,Chicago-u	1.9550
Flour,hard winter KC	16.15
Hams,17-20 lbs,Mid-US fob-u	n.a.
Hogs,Iowa-So. Minnesota-u	65.86
Pork bellies,12-14 lb MidUS-u	1.4944
Pork loins,13-19 lb MidUS-u	0.9290
Steers,Tex.-Okla. Choice-u	126.00
Steers,feeder,Okla. City-u,w	172.88
Fats and Oils	
Corn oil,crude wet/dry mill-u,w	29.6500
Grease,choice white,Chicago-h	0.2225
Lard,Chicago-u	n.a.
Soybean oil,crude;Centl IL-u	0.3010
Tallow,bleach;Chicago-h	0.2600
Tallow,edible,Chicago-u	n.a.

KEY TO CODES: A=ask; B=bid; BP=country elevator bids to producers; C=corrected; E=Manfra,Tordella & Brooks; G=ICE; H=Hurley Brokerage; I=Natural Gas Intelligence; M=monthly; N=nominal; n.a.=not quoted or not available; R=SNL Energy; S=Platts-TSI; T=Cotlook Limited; U=USDA; W=weekly, Z=not quoted. *Data as of 3/09

Source: WSJ Market Data Group

Bonds | WSJ.com/bonds

Tracking Bond Benchmarks

Return on investment and spreads over Treasurys and/or yields paid to investors compared with 52-week highs and lows for different types of bonds

Total return close	YTD total return (%)	Index	Yield (%) Latest	Low	High
Broad Market Bloomberg Barclays					
1903.42	-2.1	U.S. Aggregate	3.180	2.380	3.180
U.S. Corporate Indexes Bloomberg Barclays					
2718.51	-2.9	U.S. Corporate	3.780	3.030	3.780
2575.65	-1.7	Intermediate	3.450	2.530	3.450
3726.12	-5.4	Long term	4.480	3.990	4.680
554.46	-2.4	Double-A-rated	3.250	2.470	3.250
702.40	-2.7	Triple-B-rated	4.040	3.340	4.040
High Yield Bonds Merrill Lynch					
415.92	-0.4	High Yield Constrained	6.231	5.373	6.394
426.57	1.5	Triple-C-rated	10.349	9.640	11.091
2840.52	-0.7	High Yield 100	6.035	4.948	6.319
378.04	-0.2	Global High Yield Constrained	5.569	4.934	5.738
306.62	0.1	Europe High Yield Constrained	2.670	1.897	3.196
U.S Agency Bloomberg Barclays					
1621.07	-1.0	U.S Agency	2.600	1.690	2.610
1453.51	-0.6	10-20 years	2.480	1.490	2.480
3272.80	-3.4	20-plus years	3.300	2.730	3.410
2417.08	-1.9	Yankee	3.430	2.610	3.440
Mortgage-Backed Bloomberg Barclays					
1953.83	-1.7	Mortgage-Backed	3.380	2.660	3.400
1917.03	-1.8	Ginnie Mae (GNMA)	3.380	2.630	3.400
1146.48	-1.7	Fannie mae (FNMA)	3.370	2.670	3.400
1765.84	-1.7	Freddie Mac (FHLMC)	3.390	2.680	3.410
514.68	-1.5	Muni Master	2.492	1.736	2.492
357.60	-2.2	7-12 year	2.607	1.744	2.607
403.37	-2.1	12-22 year	2.893	2.213	2.893
391.44	-2.2	22-plus year	3.289	2.716	3.449
Global Government J.P. Morgan†					
539.35	-0.9	Global Government	1.580	1.300	1.650
749.41	-0.7	Canada	2.260	1.570	2.340
371.26	0.2	EMU§	1.179	0.956	1.353
708.20	-0.3	France	0.940	0.690	1.190
503.73	-0.7	Germany	0.640	0.210	0.740
289.66	0.3	Japan	0.380	0.340	0.460
556.73	-0.7	Netherlands	0.730	0.390	0.830
911.75	-2.1	U.K.	1.720	1.340	1.830
n.a.	n.a.	Emerging Markets **	n.a.	n.a.	n.a.

*Constrained indexes limit individual issuer concentrations to 2%; the High Yield 100 are the 100 largest bonds † In local currency § Euro-zone bonds

** EMBI Global Index

Sources: Merrill Lynch; Bloomberg Barclays; J.P.Morgan

Global Government Bonds: Mapping Yields

Yields and spreads over or under U.S. Treasurys on benchmark two-year and 10-year government bonds in selected other countries; arrows indicate whether the yield rose(▲) or fell (▼) in the latest session

Coupon (%)	Country/ Maturity, in years	Latest	Yield (%) Previous	Month ago	Year ago	Spread Under/Over U.S. Treasurys, in basis points Latest	Prev	Year ago
2.250	**U.S.** 2	**2.270** ▲	2.262	2.081	1.351			
2.750	10	**2.867** ▼	2.895	2.860	2.577			
4.500	**Australia** 2	**2.042** ▲	2.015	2.005	1.927	**-22.9**	-24.7	**57.6**
2.250	10	**2.828** ▲	2.795	2.899	2.989	**-3.9**	-10.0	**41.2**
0.000	**France** 2	**-0.469** ▼	-0.454	-0.431	-0.453	**-273.9**	-271.6	**-180.4**
0.750	10	**0.872** ▼	0.895	0.993	1.123	**-199.5**	-200.0	**-145.3**
0.000	**Germany** 2	**-0.569** ▼	-0.567	-0.582	-0.835	**-284.0**	-282.9	**-218.7**
0.500	10	**0.635** ▼	0.647	0.758	0.487	**-223.3**	-224.8	**-209.0**
0.050	**Italy** 2	**-0.241** ▼	-0.223	-0.217	0.022	**-251.1**	-248.5	**-132.9**
2.000	10	**2.000** ▼	2.012	2.026	2.368	**-86.8**	-88.3	**-20.9**
0.100	**Japan** 2	**-0.153** ▼	-0.151	-0.149	-0.262	**-242.4**	-241.3	**-161.4**
0.100	10	**0.050** ▼	0.054	0.070	0.090	**-281.7**	-284.1	**-248.7**
1.400	**Spain** 2	**-0.270** ▲	-0.371	-0.369	-0.101	**-254.0**	-263.3	**-145.3**
1.400	10	**1.397** ▼	1.420	1.471	1.866	**-147.**	-147.5	**-71.1**
2.000	**U.K.** 2	**0.841** ▲	0.834	0.685	0.098	**-142.**	-142.8	**-125.3**
4.250	10	**1.499** ▲	1.495	1.602	1.235	**-136.**	-139.9	**-134.1**

Source: Tullett Prebon

Corporate Debt

in that same company's share price.

Investment-grade spreads that tightened the most...

Issuer	Symbol	Coupon (%)	Maturity	Spread*, in basis points Current	One-day change	Last week	Stock Performance Close ($)	% chg
Citigroup	C	5.850	Dec. 11, '34	141	–41	n.a.	76.02	–0.12
Toronto–Dominion Bank	TD	2.550	Jan. 25, '21	31	–24	48	58.98	–0.37
Gilead Sciences	GILD	3.700	April 1, '24	78	–20	n.a.	81.06	0.42
Deutsche Bank AG	DB	7.500	April 30, '49	344	–17	n.a.	16.11	–0.06
Electronic Arts	EA	3.700	March 1, '21	57	–12	n.a.	128.12	–0.29
Altria	MO	4.750	May 5, '21	67	–11	n.a.	65.77	0.18
Monsanto	MON	3.375	July 15, '24	88	–11	92	123.15	–0.29
Ecolab	ECL	3.250	Dec. 1, '27	83	–10	87	136.78	1.39

...And spreads that widened the most

Issuer	Symbol	Coupon (%)	Maturity	Current	One-day change	Last week	Close ($)	% chg
Johnson Controls International	JCI	4.950	July 2, '64	186	20	n.a.	38.70	0.42
Citigroup	C	6.250	Aug. 15, '49	222	16	199	76.02	–0.12
Bank of America	BAC	5.625	July 1, '20	84	15	71	32.84	0.37
Scripps Networks Interactive	SNI	2.800	June 15, '20	106	15	n.a.	...	...
Morgan Stanley	MS	5.550	July 15, '49	84	14	91	58.91	0.41
Sunoco Logistics Partners Operations	ETP	5.400	Oct. 1, '47	263	10	246	...	...
Comcast	CMCSA	2.850	Jan. 15, '23	73	9	63	36.96	–0.46
Dell International	DELL	5.450	June 15, '23	160	9	158	...	...

High-yield issues with the biggest price increases...

Issuer	Symbol	Coupon (%)	Maturity	Bond Price as % of face value Current	One-day change	Last week	Stock Performance Close ($)	% chg
Getty Images	GYI	7.000	Oct. 15, '20	84.000	2.00	80.625	...	...
Frontier Communications	FTR	11.000	Sept. 15, '25	81.500	1.50	77.750	8.03	–2.31
Transocean	RIG	7.500	April 15, '31	91.218	1.47	89.250	9.90	3.34
Valeant Pharmaceuticals International	VRXCN	5.375	March 15, '20	101.000	1.25	99.500	...	...
Telecom Italia Capital S.A.	TITIM	7.721	June 4, '38	126.875	1.13	n.a.	...	...
Iron Mountain	IRM	5.250	March 15, '28	94.500	1.00	94.500	33.01	–0.72
NRG Energy	NRG	7.250	May 15, '26	107.250	1.00	106.750	29.89	0.47
Sprint	S	7.125	June 15, '24	98.520	0.77	98.000	5.32	0.38

...And with the biggest price decreases

Issuer	Symbol	Coupon (%)	Maturity	Current	One-day change	Last week	Close ($)	% chg
Charter Communications Operating	CHTR	5.375	May 1, '47	95.769	–1.70	98.673	...	...
Cenveo	CVO	6.000	Aug. 1, '19	48.000	–1.50	49.500	...	...
Frontier Communications	FTR	8.500	April 1, '26	97.875	–1.38	n.a.	8.03	–2.31
Hilcorp Energy I	HILCRP	5.000	Dec. 1, '24	99.375	–1.13	100.125	...	...
Kinross Gold	KCN	4.500	July 15, '27	94.970	–1.08	96.820	...	...
California Resources	CRC	8.000	Dec. 15, '22	78.750	–1.00	79.000	14.44	–0.21
Ep Energy	EPENEG	9.375	May 1, '24	73.250	–1.00	73.000	...	...
Seagate HDD Cayman	STX	4.875	June 1, '27	95.375	–0.98	95.625	...	...

*Estimated spread over 2-year, 3-year, 5-year, 10-year or 30-year hot-run Treasury; 100 basis points=one percentage pt.; change in spread shown is for Z-spread.

Note: Data are for the most active issue of bonds with maturities of two years or more

Sources: MarketAxess Corporate BondTicker; WSJ Market Data Group

Borrowing Benchmarks | WSJ.com/bonds

Money Rates

March 12, 2018

Key annual interest rates paid to borrow or lend money in U.S. and international markets. Rates below are a guide to general levels but don't always represent actual transactions.

	Jan. Index level	Chg From (%) Dec. '17	Jan. '17
Inflation			
U.S. consumer price index			
All items	247.867	0.54	2.1
Core	254.638	0.43	1.8

International rates	Latest	Week ago	52-Week High	Low
Prime rates				
U.S.	4.50	4.50	4.50	3.75
Canada	3.45	3.45	3.45	2.70
Japan	1.475	1.475	1.475	1.475
Policy Rates				
Euro zone	0.00	0.00	0.00	0.00
Switzerland	0.50	0.50	0.50	0.50
Britain	0.50	0.50	0.50	0.25
Australia	1.50	1.50	1.50	1.50
Overnight repurchase				
U.S.	1.51	1.52	1.62	0.53

U.S. government rates	Latest	Week ago	52-Week High	Low
Discount				
	2.00	2.00	2.00	1.25
Federal funds				
Effective rate	1.4200	1.4200	1.4500	0.6600
High	1.6500	1.6500	1.6500	0.8125
Low	1.3800	1.3000	1.4100	0.5000
Bid	1.4300	1.4100	1.4300	0.6600
Offer	1.4500	1.4300	1.4500	0.6700

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

BIGGEST 1,000 STOCKS

How to Read the Stock Tables

The following explanations apply to NYSE, NYSE Arca, NYSE American and Nasdaq Stock Market listed securities. Prices are composite quotations that include primary market trades as well as trades reported by Nasdaq BX (formerly Boston), Chicago Stock Exchange, Cboe, NYSE National and Nasdaq ISE. The list comprises the 1,000 largest companies based on market capitalization.

Underlined quotations are those stocks with large changes in volume compared with the issue's average trading volume.

Boldfaced quotations highlight those issues whose price changed by 5% or more if their previous closing price was $2 or higher.

Footnotes:
i-New 52-week high.
l-New 52-week low.
dd-Indicates loss in the most recent four quarters.
FD-First day of trading.
h-Does not meet continued listing standards
lf-Late filing
q-Temporary exemption from Nasdaq requirements.
t-NYSE bankruptcy
v-Trading halted on primary market.
vj-In bankruptcy or receivership or being reorganized under the Bankruptcy Code, or securities assumed by such companies.

Wall Street Journal stock tables reflect composite regular trading as of 4 p.m. and changes in the closing prices from 4 p.m. the previous day.

Monday, March 12, 2018

Stock	Sym	Close	Net Chg
A B C			
ABB	ABB	24.46	-0.15
AES	AES	10.74	-0.11
Aflac	AFL	90.83	-0.85
AGNC Invt	AGNC	18.65	0.15
ANGI Homesvcs	ANGI	15.65	0.09
i Ansys	ANSS	169.94	-1.24
i ASML	ASML	211.30	1.89
AT&T	T	37.36	0.31
AbbottLabs	ABT	63.62	0.02
AbbVie	ABBV	118.30	-0.99
i Abiomed	ABMD	294.74	0.22
Accenture	ACN	161.69	0.18
i ActivisionBliz	ATVI	76.86	-1.36
AcuityBrands	AYI	150.81	-1.88
i AdobeSystems	ADBE	220.94	-0.17
AdvanceAuto	AAP	118.41	-0.45
AdvMicroDevices	AMD	11.52	-0.18
i AdvSemiEngg	ASX	7.47	-0.01
Aegon	AEG	6.86	-0.05
AerCap	AER	49.37	-0.41
Aetna	AET	177.07	-0.31
AffiliatedMgrs	AMG	194.73	-1.38
AgilentTechs	A	70.71	-0.42
AgnicoEagle	AEM	39.46	0.40
AirProducts	APD	170.88	-0.22
AkamaiTech	AKAM	74.97	-1.10
AlaskaAir	ALK	65.78	0.98
Albemarle	ALB	102.99	1.23
Alcoa	AA	48.36	0.50
AlexandriaRlEst	ARE	126.03	0.05
AlexionPharm	ALXN	127.08	1.40
Alibaba	BABA	192.74	2.19
AlignTech	ALGN	275.61	3.87
Alkermes	ALKS	60.53	2.04
Alleghany	Y	628.49	-4.07
Allegion	ALLE	87.40	0.19
Allergan	AGN	158.41	1.13
AllianceData	ADS	238.06	-1.13
AlliantEnergy	LNT	39.21	0.50
Allstate	ALL	94.85	-1.18
AllyFinancial	ALLY	28.70	0.10
AlnylamPharm	**ALNY**	**142.04**	**9.02**
Alphabet A	GOOGL	1165.93	5.09
Alphabet C	GOOG	1164.50	4.46
Altaba	AABA	77.56	0.94
AlticeUSA	ATUS	19.91	-0.30
Altria	MO	65.77	0.12
AlumofChina	ACH	14.63	-0.31
i Amazon.com	AMZN	1598.39	19.50
i Ambev	ABEV	7.30	0.16
Amdocs	DOX	68.94	-0.09
Amerco	UHAL	336.95	-4.49
Ameren	AEE	54.41	0.42
AmericaMovil	AMX	19.15	0.01
AmericaMovil A	AMOV	19.02	-0.12
AmerAirlines	AAL	56.50	0.43
AEP	AEP	65.87	0.22
AmerExpress	AXP	97.67	-1.38
AmericanFin	AFG	114.63	-1.59
AIG	AIG	56.61	0.04
AmerTowerREIT	AMT	145.08	1.50
AmerWaterWorks	AWK	82.20	0.84
Ameriprise	AMP	159.88	-1.23
AmerisourceBrgn	ABC	100.29	1.29
Ametek	AME	78.35	-0.44
Amgen	AMGN	189.30	-1.80
Amphenol	APH	92.66	0.22
AnadarkoPetrol	APC	58.98	0.95
AnalogDevices	ADI	95.53	0.80
Andeavor	ANDV	99.99	-2.17
AndeavorLog	ANDX	47.52	0.93
AB InBev	BUD	115.60	0.41
AnnalyCap	NLY	10.48	0.14
AnteroResources	AR	20.86	0.05
Anthem	ANTM	229.86	-2.94
Aon	AON	146.31	-1.72
Apache	APA	35.41	0.09
ApartmtInv	AIV	40.04	0.05
ApolloGlbMgmt	APO	33.54	-0.02
i Apple	AAPL	181.72	1.74
i ApplMaterials	AMAT	60.97	-0.64
Aptiv	APTV	91.45	-0.82
AquaAmerica	WTR	34.08	0.47
Aramark	ARMK	41.91	...
ArcelorMittal	MT	32.41	0.21
† ArchCapital	ACGL	85.15	-2.92
AnderDanels	ADM	44.53	1.23
Arconic	ARNC	24.93	-0.26
AristaNetworks	ANET	297.40	2.25
ArrowElec	ARW	81.61	0.07
AspenTech	AZPN	82.09	-0.79
AstraZeneca	AZN	33.85	0.06
AthenaHealth	ATHN	149.07	1.22
Athene	ATH	52.50	0.13
i Atlassian	TEAM	61.80	0.54
AtmosEnergy	ATO	81.13	0.90
i Autodesk	ADSK	138.37	-0.99
i Autohome	ATHM	86.72	-1.92
Autoliv	ALV	149.89	-1.28
ADP	ADP	117.53	-1.30
AutoZone	AZO	653.26	-6.14
Avalonbay	AVB	161.54	0.12
Avangrid	AGR	48.78	0.61
AveryDennison	AVY	116.52	-0.81
AxaltaCoating	AXTA	31.93	-0.89
i BB&T	BBT	55.60	-0.43
BCE	BCE	44.52	0.10
BHPBilliton	BHP	45.46	0.18
BHPBilliton	BBL	40.14	0.30
i BOK Fin	BOKF	100.91	1.02
BP	BP	39.85	0.19
BRF	BRFS	8.24	0.13
BT Group	BT	16.64	-0.21
i BWX Tech	BWXT	64.61	-1.00
Baidu	BIDU	265.67	2.11
BakerHughes	BHGE	30.79	0.55
Ball	BLL	41.65	-0.16
BancoBilbaoViz	BBVA	8.23	0.03
BancodeChile	BCH	102.56	0.44
BancoMacro	BMA	112.27	3.09
BcoSantChile	BSAC	33.21	0.18
BcoSantMex	BSMX	7.38	...
BancoSantander	SAN	6.77	-0.01
BanColombia	CIB	43.80	-0.20
i BankofAmerica	BAC	32.84	0.12
BankofMontreal	BMO	76.54	0.08
BankNY Mellon	BK	56.44	-0.79
BkNovaScotia	BNS	62.91	-0.11
BankofOzarks	OZRK	52.66	-0.38
Barclays	BCS	11.87	0.10
BarrickGold	ABX	12.13	0.31
BaxterIntl	BAX	68.50	-0.39
BectonDicknsn	BDX	225.50	-0.62
BeiGene	BGNE	154.30	2.33
Berkley	WRB	72.62	0.63
BerkHathwy A	BRK.A	317746.-1854.00	
BerkHathwy B	BRK.B	211.82	-1.12
BerryGlobal	BERY	55.77	0.06
BestBuy	BBY	72.05	-1.77
Bio-RadLab A	BIO	273.84	-0.27
Biogen	BIIB	279.90	-6.20
BioMarinPharm	BMRN	85.46	1.65
BlackKnight	BKI	49.05	0.55
BlackBerry	BB	12.82	-0.05
BlackRock	BLK	571.79	-5.39
Blackstone	BX	34.43	0.37
BlueBuffaloPet	BUFF	39.85	0.03
i bluebirdbio	BLUE	233.05	1.10
Boeing	BA	344.19	-10.33
i BookingHldgs	BKNG	2206.09	35.48
BorgWarner	BWA	50.77	-0.79
BostonProps	BXP	125.56	1.94
BostonSci	BSX	28.54	...
Braskem	BAK	29.55	0.20
i BrightHorizons	BFAM	100.35	0.05
BrighthouseFin	BHF	53.78	-0.08
Bristol-Myers	BMY	67.45	-0.47
BritishAmTob	BTI	59.02	-0.15
Broadcom	AVGO	262.84	9.06
i BroadridgeFinl	BR	108.57	0.22
BrookfieldMgt	BAM	39.96	-0.22
BrookfieldInfr	BIP	40.54	-0.73
Brown&Brown	BRO	53.33	-0.30
Brown-Forman B	BF.B	54.42	-0.63
Brown-Forman A	BF.A	53.70	-0.75
BuckeyePtrs	BPL	45.37	1.27
Bunge	BG	75.93	0.97
BurlingtonStrs	BURL	125.54	-2.53
i CA	CA	36.81	-0.31
CBD Pao	CBD	20.96	0.14
i CBRE Group	CBG	47.67	0.08
CBS A	CBS.A	52.20	0.08
CBS B	CBS	52.29	0.11
CDK Global	CDK	70.79	-0.69
CDW	CDW	75.32	0.94
CF Industries	CF	41.88	0.38
i CGI Group	GIB	59.32	-0.31
CH Robinson	CHRW	91.03	-0.71
CIT Group	CIT	55.52	0.19
CME Group	CME	169.18	-2.24
CMS Energy	CMS	43.09	0.23
CNA Fin	CNA	53.11	-0.47
CNOOC	CEO	145.88	-0.16
CPFLEnergia	CPL	14.97	-0.01
CRH	CRH	34.09	-0.02
CSRA	CSRA	40.60	0.03
CSX	CSX	57.59	-0.41
CVS Health	CVS	69.01	-0.26
CabotOil	COG	25.52	...
CadenceDesign	CDNS	39.70	0.02
CaesarsEnt	CZR	12.60	-0.10
CamdenProperty	CPT	82.73	0.19
CampbellSoup	CPB	43.59	-0.02
CIBC	CM	91.96	-0.09
CanNtlRlwy	CNI	74.83	0.31
CanNaturalRes	CNQ	30.11	-0.25
CanPacRlwy	CP	180.04	-0.90
Canon	CAJ	37.28	0.23
CapitalOne	COF	100.46	-0.33
CardinalHealth	CAH	72.36	1.20
Carlisle	CSL	107.97	0.50
Carlyle	CG	23.35	0.30
CarMax	KMX	62.50	0.07
Carnival	CCL	67.36	-0.11
Carnival	CUK	66.98	-0.09
Caterpillar	CAT	154.50	-3.75
Cavium	CAVM	90.95	-0.04
CboeGlobalMkts	CBOE	123.82	-0.72
Celanese A	CE	107.61	-0.94
Celgene	CELG	92.28	-0.28
Cemex	CX	7.24	-0.11
CenovusEnergy	CVE	8.17	...
Centene	CNC	100.30	-2.36
CenterPointEner	CNP	27.43	0.30
CentraisElBras	EBR	7.55	0.28
CenturyLink	CTL	18.02	0.08
Cerner	CERN	64.64	-0.27
CharterComms	CHTR	359.22	11.63
CheckPoint	CHKP	106.39	0.40
Chemours	CC	50.95	0.89
CheniereEnergy	LNG	53.63	-0.41
CheniereEnrPtrs	CQP	30.15	-0.39
CheniereEnHldgs	CQH	28.80	0.32
Chevron	CVX	116.79	-0.43
ChinaEastrnAir	CEA	42.49	0.74
ChinaLifeIns	LFC	14.84	-0.14
ChinaLodging	HTHT	154.50	0.76
ChinaMobile	CHL	46.10	-0.25
ChinaPetrol	SNP	81.36	-0.86
ChinaSoAirlines	ZNH	66.29	2.58
ChinaTelecom	CHA	43.55	-0.69
ChinaUnicom	CHU	12.43	-0.12
Chipotle	CMG	323.76	1.60
Chubb	CB	143.09	-0.91
ChunghwaTel	CHT	37.08	-0.29
Church&Dwight	CHD	50.56	-0.03
Cigna	CI	167.31	-6.05
CimarexEnergy	XEC	95.38	2.49
CincinnatiFin	CINF	75.24	-1.80
Cintas	CTAS	176.61	-1.69
CiscoSystems	CSCO	45.55	0.18
Citigroup	C	76.02	-0.09
CitizensFin	CFG	46.15	-0.11
i CitrixSystems	CTXS	95.88	0.37
Clorox	CLX	130.37	-1.20
Coca-Cola	KO	44.53	-0.29
Coca-Cola Euro	CCE	41.78	0.88
Coca-Cola Femsa	KOF	68.77	-0.38
Cognex	CGNX	56.31	0.22
CognizantTech	CTSH	84.07	-0.64
ColgatePalm	CL	71.08	-0.16
Comcast A	CMCSA	36.96	-0.17
i Comerica	CMA	100.82	-1.39
i CommerceBcshrs	CBSH	61.26	0.27
CommScope	COMM	40.94	-0.05
SABESP	SBS	11.61	-0.06
ConagraBrands	CAG	38.05	-0.01
ConchoRscs	CXO	153.48	0.19
ConocoPhillips	COP	54.74	-0.32
ConEd	ED	75.69	0.45
i ConstBrands B	STZ.B	230.01	8.97
i ConstBrands A	STZ	230.15	-0.19
ContinentalRscs	CLR	52.39	0.54
Cooper	COO	240.95	-10.48
i Copart	CPRT	51.11	1.00
Corning	GLW	29.84	-0.09
i CoStar	CSGP	359.39	-1.83
Costco	COST	189.37	0.79
Coty	COTY	19.19	-0.21
Credicorp	BAP	220.58	-0.53
CreditAcceptance	CACC	337.75	-1.83
CreditSuisse	CS	18.38	0.16
CrownCastle	CCI	111.39	0.40
CrownHoldings	CCK	51.24	-0.05
Ctrip.com	CTRP	49.06	0.70
i Cullen/Frost	CFR	110.67	0.66
Cummins	CMI	160.06	-2.31
CurtissWright	CW	137.50	-2.38
i CypressSemi	CY	18.62	0.21
D E F			
DISH Network	DISH	41.35	0.59
DTE Energy	DTE	100.91	0.38
i DXC Tech	DXC	106.08	-0.64
Danaher	DHR	103.40	-0.34
Darden	DRI	94.75	-0.06
DaVita	DVA	72.26	-0.20
Deere	DE	164.03	-3.90
DellTechs	DVMT	77.78	-0.70
DeltaAir	DAL	56.16	0.07
DentsplySirona	XRAY	58.42	0.75
DeutscheBank	DB	16.11	-0.01
DevonEnergy	DVN	32.82	0.10
Diageo	DEO	136.63	0.36
DiamondbkEner	FANG	127.41	-1.53
DigitalRealty	DLR	104.35	1.21
DiscoverFinSvcs	DFS	78.15	-0.27
DiscovComm C	DISCK	22.62	0.13
DiscovComm A	DISCA	24.42	0.23
Disney	DIS	105.17	0.44
DolbyLab	DLB	67.07	0.98
DollarGeneral	DG	88.61	1.67
DollarTree	DLTR	94.29	1.59
DominionEner	D	72.97	0.10
Domino's	DPZ	227.69	-2.57
Donaldson	DCI	45.56	0.01
DouglasEmmett	DEI	37.54	0.05
Dover	DOV	101.50	-1.19
DowDuPont	DWDP	71.34	-0.89
DrPepperSnap	DPS	117.59	-0.36
DukeEnergy	DUK	76.55	0.42
DukeRealty	DRE	25.73	-0.03
ENI	E	33.90	0.35
EOG Rscs	EOG	100.65	-2.15
i EPAM Systems	EPAM	124.90	2.38
EQT	EQT	52.20	-0.24
i E*TRADE	ETFC	57.88	0.64
EXACT Sci	EXAS	53.19	1.04
EastWestBncp	EWBC	67.41	-0.72
i EastmanChem	EMN	110.84	1.55
Eaton	ETN	81.53	-1.61
EatonVance	EV	57.84	0.28
eBay	EBAY	43.90	0.09
Ecolab	ECL	136.78	1.87
Ecopetrol	EC	17.43	-0.13
EdisonInt	EIX	60.20	0.82
i EdwardsLife	EW	140.04	0.72
ElectronicArts	EA	128.12	-0.37
EmersonElec	EMR	71.42	-0.85
EnbridgeEnPtrs	EEP	13.12	0.29
Enbridge	ENB	32.66	0.65
Encana	ECA	10.84	-0.12
EnelAmericas	ENIA	11.40	-0.12
EnelChile	ENIC	6.35	...
EnelGenChile	EOCC	28.39	-0.05
EnergyTransferEq	ETE	15.52	-0.02
EnergyTransfer	ETP	18.00	0.21
Entergy	ETR	77.23	0.45
EnterpriseProd	EPD	26.33	0.49
Equifax	EFX	124.87	-0.05
Equinix	EQIX	395.35	0.19
EquityLife	ELS	85.95	0.28
EquityResidntl	EQR	59.50	-0.01
Ericsson	ERIC	6.84	-0.03
EssexProp	ESS	238.74	1.22
i EsteeLauder	EL	145.37	0.32
EverestRe	RE	261.39	-1.23
EversourceEner	ES	57.06	-0.18
Exelixis	EXEL	24.82	0.29
Exelon	EXC	37.53	0.03
Expedia	EXPE	114.44	2.22
ExpeditorsIntl	EXPD	64.68	-0.06
ExpressScripts	ESRX	78.25	-2.50
ExtraSpaceSt	EXR	87.56	-0.63
ExxonMobil	XOM	75.24	0.68
F5Networks	FFIV	146.78	-0.70
FMC	FMC	83.88	0.33
Facebook	FB	184.76	-0.47
i FactSet	FDS	213.32	-0.29
i Fastenal	FAST	57.81	-0.16
FederalRealty	FRT	117.32	1.00
FedEx	FDX	246.54	-0.58
Ferrari	RACE	124.32	-0.39
FiatChrysler	FCAU	21.19	0.04
i FibriaCelulose	FBR	21.32	0.69
FidNatlFin	FNF	38.43	-0.19
FidNatlInfo	FIS	101.23	0.46
i FifthThirdBncp	FITB	34.26	0.05
58.com	WUBA	81.26	-1.55
FirstAmerFin	FAF	58.78	-0.28
FirstData	FDC	15.65	0.03
FirstHorizonNatl	FHN	20.29	-0.08
FirstRepBank	FRC	98.25	-0.53
FirstSolar	FSLR	70.05	2.15
FirstEnergy	FE	32.70	0.05
i Fiserv	FISV	147.64	-0.59
FleetCorTech	FLT	208.69	-0.71
Flex	FLEX	18.92	-0.01
FlirSystems	FLIR	50.82	-0.72
Flowserve	FLS	45.16	-0.42
Fluor	FLR	58.28	-0.24
FomentoEconMex	FMX	93.97	0.38
FordMotor	F	10.81	0.08
i Fortinet	FTNT	54.68	0.24
Fortis	FTS	33.57	0.26
Fortive	FTV	78.53	-1.74
FortBrandsHome	FBHS	62.76	-0.76
Franco-Nevada	FNV	68.69	0.52
FranklinRscs	BEN	39.83	-0.63
FreeportMcM	FCX	18.56	0.13
FreseniusMed	FMS	52.53	-0.11
G H I			
GGP	GGP	21.36	0.23
Gallagher	AJG	71.71	-0.92
Gaming&Leisure	GLPI	33.42	0.40
Gap	GPS	32.24	-0.83
GardnerDenver	GDI	32.64	-0.36
Garmin	GRMN	61.01	0.02
Gartner	IT	124.08	1.27
Gazit-Globe	GZT	9.82	-0.14
GeneralDynamics	GD	224.64	-5.31
GeneralElec	GE	15.10	0.16
GeneralMills	GIS	51.97	0.52
GeneralMotors	GM	37.83	-0.01
Genpact	G	32.29	0.01
Gentex	GNTX	23.36	0.11
GenuineParts	GPC	92.37	-0.25
Gerdau	GGB	4.98	0.06
Gildan	GIL	29.03	-0.34
GileadSciences	GILD	81.06	0.34
GSK	GSK	37.65	0.29
i GlobalPayments	GPN	117.83	0.61
GoDaddy	GDDY	63.66	-0.32
Goldcorp	GG	13.30	0.29
i GoldmanSachs	GS	273.38	2.61
Goodyear	GT	28.89	0.14
Graco	GGG	46.54	-0.27
Grainger	GWW	279.74	-0.69
GreatPlainsEner	GXP	30.11	-0.02
Grifols	GRFS	21.76	0.15
i GrubHub	GRUB	109.59	1.03
GpoAvalAcc	AVAL	8.52	0.06
GpoFinGalicia	**GGAL**	**66.81**	**3.19**
GrupoTelevisa	TV	17.04	0.03
Guidewire	GWRE	88.64	0.69
HCA Healthcare	HCA	103.56	-0.34
HCP	HCP	23.12	0.52
HDFC Bank	HDB	97.45	1.06
HD Supply	HDS	36.87	-0.74
HP	HPQ	23.83	-0.82
HSBC	HSBC	49.39	-0.16
Halliburton	HAL	46.92	-0.07
Hanesbrands	HBI	20.15	0.14
HarleyDavidson	HOG	44.82	0.47
Harris	HRS	158.02	0.30
HartfordFinl	HIG	55.20	-0.93
Hasbro	HAS	90.07	-1.39
Heico A	HEI.A	70.30	-1.90
Heico	HEI	86.53	-1.08
Helm&Payne	HP	65.81	-1.08
HenrySchein	HSIC	67.85	-0.58
i Herbalife	HLF	99.99	0.46
Hershey	HSY	101.00	0.64
Hess	HES	48.65	0.19
HewlettPackard	HPE	19.07	-0.09
i Hexcel	HXL	68.29	-0.79
Hilton	HLT	81.13	-0.34
HollyFrontier	HFC	45.99	-0.53
Hologic	HOLX	38.93	-0.64
HomeDepot	HD	179.71	-2.45
HondaMotor	HMC	35.05	0.40
Honeywell	HON	152.23	-1.98
HormelFoods	HRL	33.70	-0.06
DR Horton	DHI	44.34	0.54
HostHotels	HST	18.73	-0.18
i HowardHughes	HHC	137.95	1.21
HuanengPower	HNP	26.44	-0.23
Hubbell	HUBB	125.08	-1.22
Humana	HUM	268.21	-4.29
JBHunt	JBHT	120.82	-0.98
i HuntingtonBcshs	HBAN	16.48	-0.02
HuntingIngalls	HII	258.16	-5.87
Huntsman	HUN	32.89	0.34
HyattHotels	H	79.55	-0.59
i IAC/InterActive	IAC	162.06	1.25
ICICI Bank	IBN	9.34	0.13
i IdexxLab	IDXX	204.35	1.18
i IHSMarkit	INFO	49.11	0.05
ING Groep	ING	17.71	...
Invesco	IVZ	34.52	...
IPG Photonics	IPGP	254.72	5.44
IQVIA	IQV	105.93	0.33
IRSA Prop	IRCP	44.60	...
IcahnEnterprises	IEP	58.99	-0.82
i Icon	ICLR	123.90	1.71
IDEX	IEX	146.70	-0.75
IllinoisToolWks	ITW	169.20	-1.10
i Illumina	ILMN	253.17	3.05
ImperialOil	IMO	27.18	-0.16
Incyte	INCY	94.45	0.22
Infosys	INFY	18.41	0.25
Ingersoll-Rand	IR	88.08	-1.55
Ingredion	INGR	134.78	1.53
Intel	INTC	51.52	-0.67
i InteractiveBrkrs	IBKR	73.32	-0.44
i ICE	ICE	75.67	-0.06
InterContinentl	IHG	64.01	-0.24
IBM	IBM	160.26	0.95
IntlFlavors	IFF	142.05	1.04
i IntlGameTech	IGT	29.72	0.51
IntlPaper	IP	54.98	-0.26
Interpublic	IPG	23.73	-0.20
i Intuit	INTU	177.33	0.16
IntuitiveSurgical	ISRG	438.95	-1.51
InvitatHomes	INVH	22.69	0.03
IonisPharma	IONS	54.78	1.80
IronMountain	IRM	33.01	-0.24
IsraelChemicals	ICL	4.49	-0.09
itauUnibanco	ITUB	16.21	0.18
J K L			
JD.com	JD	46.01	0.30
JPMorganChase	JPM	117.66	-0.38
JackHenry	JKHY	123.41	-0.52
JacobsEngg	JEC	60.43	-0.37
JamesHardie	JHX	18.07	0.08
JanusHenderson	JHG	36.02	-0.14
JazzPharma	JAZZ	154.00	1.57
JetBlue	JBLU	22.04	0.04
J&J	JNJ	132.63	-1.17
JohnsonControls	JCI	38.70	0.16
JonesLang	JLL	171.37	-0.31
JuniperNetworks	JNPR	26.34	-0.09
i KAR Auction	KAR	56.12	-0.52
KB Fin	KB	59.76	0.50
KKR	KKR	22.69	-0.02
i KLA Tencor	KLAC	122.39	1.24
KT	KT	13.67	-0.01
KSCitySouthern	KSU	111.24	-0.41
Kellogg	K	69.83	-0.42
i KeyCorp	KEY	21.80	-0.35
i KeysightTechs	KEYS	54.62	0.55
KilroyRealty	KRC	70.45	0.38
KimberlyClark	KMB	113.06	1.12
KimcoRealty	KIM	14.69	0.21
KinderMorgan	KMI	16.55	0.22
Knight-Swift	KNX	49.20	0.17
Kohl's	KSS	63.03	0.06
KoninklijkePhil	PHG	39.27	-0.09
KoreaElcPwr	KEP	15.46	0.18
KraftHeinz	KHC	67.70	0.47
Kroger	KR	23.99	-0.09
Kyocera	KYO	58.46	-0.43
LATAMAirlines	LTM	16.17	0.10
L Brands	LB	42.15	-0.11
LG Display	LPL	13.30	0.18
LINE	LN	39.82	-0.29
LKQ	LKQ	39.33	-0.31
LPL Financial	LPLA	65.45	...
L3 Tech	LLL	204.77	-5.63
LabCpAm	LH	175.61	-0.14
i LamResearch	LRCX	228.65	3.70
LamarAdv	LAMR	67.54	0.26
LambWeston	LW	57.26	-0.07
LasVegasSands	LVS	75.63	-0.84
Lazard	LAZ	56.82	0.75
Lear	LEA	189.47	-0.85
Leggett&Platt	LEG	46.87	0.46
i Leidos	LDOS	69.34	-0.08
Lennar B	LEN.B	48.36	0.56
Lennar A	LEN	60.43	0.64
LennoxIntl	LII	211.62	2.11
LeucadiaNatl	LUK	24.50	...
LibertyBroadbandC	LBRDK	92.62	3.08
LibertyBroadbandA	LBRDA	91.53	2.82
LibertyGlobal C	LBTYK	32.64	0.21
LibertyGlobal A	LBTYA	33.89	0.20
LibertyFormOne A	FWONA	31.52	-0.08
LibertyFormOne C	FWONK	33.07	-0.06
LibertyBraves A	BATRA	23.74	0.08
LibertyBraves C	BATRK	23.84	0.14
LibertySirius A	LSXMA	43.22	-0.50
LibertySirius C	LSXMK	43.02	-0.46
LibertyProperty	LPT	40.73	0.06
EliLilly	LLY	79.04	-0.57
LincolnElectric	LECO	93.07	-0.06
LincolnNational	LNC	78.41	-0.30
LionsGate A	LGF.A	29.67	0.05
LionsGate B	LGF.B	27.93	0.07
LiveNationEnt	LYV	45.48	0.43
LloydsBanking	LYG	3.83	0.01
LockheedMartin	LMT	333.10	-7.39
Loews	L	51.51	-0.21
LogitechIntl	LOGI	39.42	-0.08
LogMeIn	LOGM	127.75	1.50
Lowe's	LOW	87.68	0.40
lululemon	LULU	80.33	-0.67
LyondellBasell	LYB	111.14	-1.14
M N			
M&T Bank	MTB	194.91	-1.90
MGM Resorts	MGM	36.77	-0.02
i MKS Instrum	MKSI	125.15	0.30
MPLX	MPLX	35.48	0.42
i MSCI	MSCI	154.05	0.93
Macerich	MAC	58.10	0.08
Macy's	M	28.76	-0.12
MagellanMid	MMP	64.36	1.07
MagnaIntl	MGA	53.34	0.04
Manpower	MAN	120.36	-2.00
ManulifeFin	MFC	18.79	-0.09
MarathonOil	MRO	15.09	-0.13
MarathonPetrol	MPC	69.27	-0.95
Markel	MKL	1139.61	-5.39
i MarketAxess	MKTX	223.15	4.27
Marriott	MAR	141.81	-1.48
Marsh&McLen	MMC	84.91	-0.96
MartinMarietta	MLM	209.72	0.54
MarvellTech	MRVL	24.37	0.03
Masco	MAS	42.47	-0.01
i Mastercard	MA	182.54	-0.70
i MatchGroup	MTCH	45.60	0.81
MaximIntProducts	MXIM	63.49	0.03
i McCormick	MKC	110.69	0.15
McCormickVtg	MKCV	111.99	2.97
McDonalds	MCD	157.74	0.50
McKesson	MCK	157.80	2.01
Medtronic	MDT	83.30	0.15
MelcoResorts	MLCO	28.82	0.34
i MercadoLibre	MELI	410.05	-3.89
Merck	MRK	55.36	0.22
MetLife	MET	47.02	-0.82
MettlerToledo	MTD	615.91	-0.09

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

STREETWISE | By James Mackintosh

It's Time to Fret About the Bet on Debt

It is easy to lend money. The trick to successful finance is getting it back—and lenders, egged on by politicians, are once again forgetting how hard it can be to recover debts in a downturn.

The Trump administration wants banks to be less regulated, and right at the front of the line are restrictions on the riskiest type of corporate loans, known as leveraged loans.

These are used to finance highly indebted private-equity deals or weak companies, and worried U.S. regulators put rules in place five years ago to try to stop banks from taking silly risks. Europe last year followed suit, but the U.S. rules are now being recast as merely guidance.

Looser rules on banks after a long market boom should ring alarm bells. But while weaker credit standards mean bigger losses when loans turn sour, they will help magnify market gains as long as the economy stays sweet.

Even better, more lending itself helps economic growth, right up until the excesses are exposed.

The excesses are becoming visible. Leveraged lending hit a new high of $1.6 trillion last year, spreads over the interbank lending rate neared postcrisis lows, and lenders showed an unprecedented willingness to waive the usual protections. Just as in the high-yield bond market, covenants designed to prevent the most egregious behavior of borrowers were scrapped and investors took more on faith: about half of U.S. leveraged loans and nearly 60% of Europe's are "covenant-lite," according to the Institute of International Finance, a trade group.

"This is a market with a ton of cash chasing too few deals," says one major underwriter. "It feels awfully frothy, going back to the days of 2006, 2007."

Pension funds, insurance companies and wealthy investors have poured money into leveraged loans through funds, many run by private-equity groups, and structured products known as collateralized-loan obligations.

As well as holding the debt, these nonbanks are increasingly making direct loans, taking on the role of book runner. Based on loans so far this year, **Jefferies Group** LLC is on course to be the first broker-dealer since 2007 to make it into the top five leveraged-loan book runners. Private-equity group KKR & Co. is ranked 11, according to Dealogic, having made the top 20 for the first time last year.

Their gains aren't due only to banks being prevented from taking on the most stretched of the leveraged loans. Back in 2006 and 2007, it was General Electric Co. nipping at the banks' heels, coming close to the top 10 before its finance arm imploded in the crisis.

Of course, times are different. Before the crisis, banks had less capital and were more reliant on short-term funding, and the real excesses were in mortgages.

However, commercial real-estate lending carries a lesson for today's rule makers: Giving banks guidance just doesn't cut it. In 2006, three agencies—the Federal Reserve, the Federal Deposit Insurance Corp. and the Office of the Comptroller of the Currency—set out guidance for banks that were highly exposed to commercial-property lending or rapidly increasing it.

A study by staff at two of the regulators later found that almost a quarter of banks breaching the guidance failed during the recession, against just 0.5% of banks that were within the limits. If the guidance had been an enforceable rule—as the leveraged-loan rule from the same three agencies was until it came under pressure last year—perhaps more banks would have survived.

Now that the rules are being relaxed, both bank and nonbank underwriters say banks are likely to win back some of the riskiest leveraged loans, further increasing the competition to lend.

That is great for borrowers, and in the short term probably for investors. More lending with weaker controls means higher asset prices, more private-equity buyouts, more debt taken on to pay dividends and—perhaps—a bit more capital spending by companies that couldn't otherwise afford it.

In some ways, the rise in leveraged lending by nonbanks was a response to the contradiction at the heart of postcrisis monetary policy. Central banks hoped to encourage borrowing by cutting interest rates to historic lows, while at the same time efforts to stop a repeat of the crisis restricted bank lending. Nonbanks stepped in to take the business, and the profit, that used to be made by banks.

Holding risky loans isn't a problem if the risks are properly understood, and will be a successful investment if the economy accelerates while the Fed raises interest rates.

Leveraged loans pay more when short-term rates rise, while a stronger economy would limit defaults. Investors who think the long economic cycle will continue while the Fed increases rates are right to switch from fixed-rate bonds into leveraged loans.

The trouble is that the more debt companies take on, the harder it is for the economy to compensate for higher rates. The weak companies that use leveraged loans for finance will be the first to reach the limit.

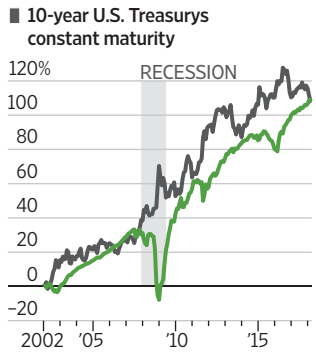
Weaker lending standards mean eventual bigger losses for holders of leveraged loans, when lenders remember that they have to get the money back.

Until then, it's easy to lend.

Leveraging Risk

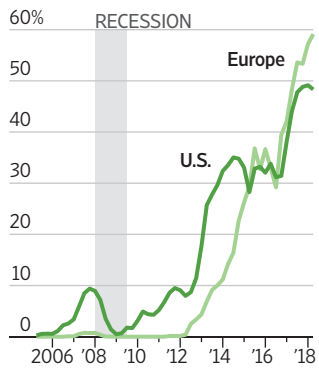
Leveraged loans do well when interest rates rise, so long as the economy is healthy.

Total return



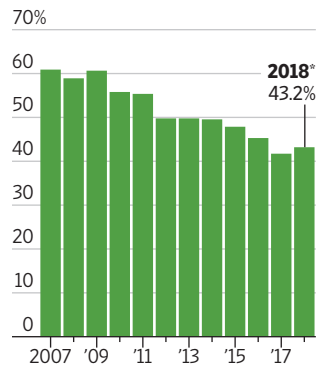
So-called covenant-lite leveraged loans with fewer protections for lenders have been rising.

Covenant-lite leveraged loans as percentage of total



Big banks lost market share in leveraged loans as rules restricted the riskiest lending.

Market share of top five bookrunners



*Through March 5

Sources: Thomson Reuters Datastream (total return); Institute of International Finance (covenant-lite); Dealogic (market share)

THE WALL STREET JOURNAL.

BofA CEO Receives 250 Times Staff Pay

By Rachel Louise Ensign

Bank of America Corp. on Monday became the first big U.S. bank to unveil how much more its CEO makes than its typical employee.

The lender said in its annual proxy filing that in 2017 Chief Executive Brian Moynihan earned about 250 times as much as the median bank employee. The disclosure is one that other big banks and companies are planning to make for the first time.

This year, U.S. publicly traded firms are required for the first time to divulge their median employee pay in addition to CEO pay, and the ratio between the two.

Mr. Moynihan earned $23 million for 2017, a year in which the bank hit new profit milestones and finally put its crisis-era issues behind it. The methodology used in the ratio uses a slightly different pay figure for Mr. Moynihan. By comparison, the median Bank of America employee had total compensation of $87,115 for the year.

With more than 200,000 employees ranging from investment bankers to tellers, pay at Bank of America varies widely. **Capital One Financial** Corp., for instance, had a similar ratio, with its chief executive earning 261 times the median employee.

The employee-pay disclosure was mandated by the 2010 Dodd-Frank Act in the wake of the financial crisis, with the aim of helping shareholders better understand and challenge executive-compensation practices at major U.S. companies. After a series of corporate scandals in the early 2000s and again during the financial crisis, investors have scrutinized CEOs' rising pay and pressed boards to better align it with performance.

Bank of America also on Monday released information on the pay earned by executives other than Mr. Moynihan. Chief Operating Officer Tom Montag, who runs the bank's businesses that cater to companies and institutional investors, earned $19 million, up from $17 million a year earlier. Other executives also got raises. The bank also revealed in its annual report two new markets where it plans to open branches soon: Salt Lake City and Lexington, Ky.

Startup Exchange to Offer Bitcoin Derivatives

By Alexander Osipovich

A startup exchange active in the derivatives market is expanding into bitcoin, the latest sign that market operators remain excited about cryptocurrencies despite bitcoin's recent price slump.

New York-based **trueEX** LLC on Monday announced plans to offer derivatives on bitcoin and other "digital assets." That makes it at least the sixth U.S. trading venue to jump into cryptocurrency derivatives in recent months.

Bitcoin's price has fallen by half since hitting a high of nearly $20,000 in December, when investor mania for the digital currency hit a recent peak. But even with bitcoin's value bobbing around $10,000, more financial firms have been eager to offer new products tied to the volatile digital currency.

Chicago-based exchange giants CME Group Inc. and Cboe Global Markets Inc. launched bitcoin futures in December. Their contracts let traders bet on the price of bitcoin without directly holding the digital currency, all on a regulated marketplace.

Some lesser-known players have also launched or planned to launch bitcoin derivatives, including startup trading platform **LedgerX**; Cantor Exchange, a small trading venue owned by broker **Cantor Fitzgerald** LP; and Nadex, owned by London-based **IG Group**.

Nasdaq Inc. has also said it is exploring the idea of introducing bitcoin futures.

Like its predecessors, trueEX is betting that Wall Street banks and money managers want to be able to trade bitcoin on a regulated market, without the risks that often come with cryptocurrency exchanges, such as theft.

The move is the latest gambit by trueEX co-founder and Chief Executive Sunil Hirani, a serial entrepreneur who helped bring derivatives trading from the phone to the screen over the past two decades and has more recently been eyeing opportunities in cryptocurrencies.

TrueEX initially plans to offer a type of contract called a "nondeliverable forward" linked to bitcoin prices. Such contracts are popular in foreign-exchange trading. They allow two parties to agree to pay each other in the future an amount based on the value of two currencies, such as the dollar and the euro.

The plan is under review by the Commodity Futures Trading Commission, which regulates trueEX, the company said in a statement.

Despite the budding interest in bitcoin, many on Wall Street are still wary of trading the cryptocurrency because of its uncertain legal status, as well as the risk that their holdings could be stolen by hackers. Investors have lost more than $700 million worth of digital currencies this year in hacks of cryptocurrency exchanges in Japan and Italy.

The bitcoin-futures market remains small compared with that for bitcoin itself. In February, about $75 million of CME's bitcoin futures changed hands each day, on average, while the comparable number at Cboe was around $62 million. Meanwhile, an average of over $1 billion of bitcoin changed hands daily on major cryptocurrency exchanges last month, according to blockchain.info, a bitcoin data and services provider.

Founded in 2010, trueEX isn't the first exchange to try to launch nondeliverable forwards on bitcoin. **TeraExchange** LLC, a startup trading platform, introduced a similar product in 2014 but it never gained traction.

MARY TURNER/BLOOMBERG NEWS

Bitcoin and ethereum symbols on a screen at the Crypto Investor Show in London on Saturday.

Sunil Hirani, CEO of trueEX, the latest U.S. trading venue to get into cryptocurrency derivatives.

Exchange Tries Crypto-Reward To Stop Hackers

A Hong Kong-based cryptocurrency exchange stung by hackers last week doesn't appear to be taking the attack lightly.

The **Binance** exchange is offering $250,000—paid in cryptocurrency—to anyone who provides information that leads to the arrest of the hackers who attempted to steal funds, it said Sunday. Additionally, Binance said it has set aside as much as $10 million in crypto reserves for bounty awards against any future illegal hacking attempts.

"Even though the hacking attempt against Binance on March 7th was not successful, it was clear it was a large-scale, organized effort," Binance said. "This needs to be addressed."

"As in a football match, you can't just play defense," said a post on Binance Chief Executive Changpeng Zhao's Twitter account.

The bounty would be paid in BNB, or Binance Coin, the company said. BNB has a market capitalization of $826 million, making it the 25th-largest cryptocurrency by market value, according to research site CoinMarketCap. By comparison, bitcoin, the largest and most well-known digital currency, has a market value of about $162 billion.

Binance halted withdrawals on its exchange last week after experiencing what it called "a large scale phishing and stealing attempt."

—Steven Russolillo

Geico Stops Using Education, Jobs to Set New York Rates

By Leslie Scism

Berkshire Hathaway Inc's Geico unit agreed to halt the use of education and occupation as factors in setting auto-insurance premiums in New York.

New York Financial Services Superintendent Maria T. Vullo's office said that the giant insurer would comply with the state's move late last year to ban what her department has concluded is an unfair practice that can drive up the cost of insurance for people who can least afford it. Geico could have challenged the state's ban in court but has chosen not to.

Geico joins **Allstate** Corp. and **Liberty Mutual Insurance** in overhauling its methodology in the state. Those two other insurers reached agreements late last year with the superintendent. Together, Geico, Allstate and Liberty Mutual provide coverage to nearly half of the private passenger auto-insurance market in New York.

A representative for Geico couldn't immediately be reached for comment.

The use of education and occupation as factors in pricing—along with credit histories—has been contentious for years, with insurers using education and occupation alongside many other variables, including age, gender, driving history, vehicle type and estimated miles to be driven, to help set rates.

Many insurers contend that education level and occupation are actuarially justified in predicting the likelihood of an insurance loss.

The Property Casualty Insurers Association of America has said in recent weeks that New York's regulation "could have the opposite effect of what is intended—resulting in many consumers paying more for auto insurance," such as police officers and teachers.

The state's ban on the factors applies only to car insurers operating in New York, but regulatory moves in the state are watched throughout the U.S.

Some consumer groups representing low-income Americans are hoping it will reopen a national debate on what data should be used in setting rates and what should be prohibited.

Before the 1990s, most car insurers used factors like age, gender, vehicle type, motor-violations history and estimated miles to be driven as major determinants in how much a policyholder pays.

Credit histories then were added by many to the mix. Some insurers have always used occupation, as some car insurers were founded specifically to sell to people in designated professions.

Some in the industry say math shows that professionals such as military officers, teachers, engineers, accountants and dentists have lower claims costs and therefore should pay lower rates. Unskilled workers such as daycare employees and stock clerks have a higher risk, according to some actuaries.

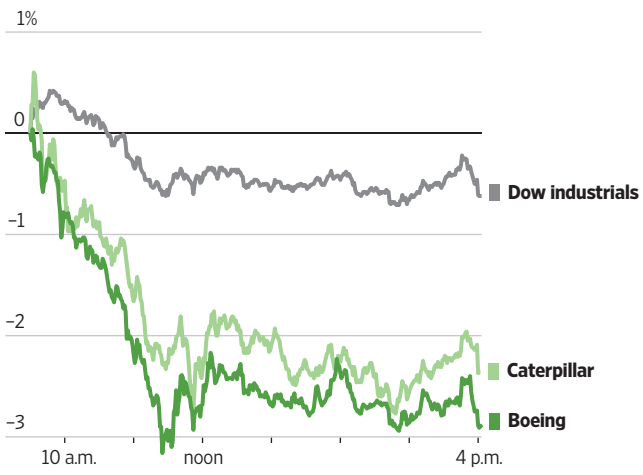
New York disagrees.

"The use of education and occupation in determine insurance rates unfairly penalizes drivers without college degrees or who work in low-wage jobs or industries without having a rational relationship to driving," Ms. Vullo said Monday.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

TRAVIS DOVE/BLOOMBERG NEWS

Large industrial companies like Boeing and United Technologies were the biggest drag on blue chips.



Dow Falls, Pulled Down by Boeing, Caterpillar

By Gunjan Banerji And Riva Gold

The Dow Jones Industrial Average fell Monday, snapping a two-session winning streak, as shares of industrial giants slumped.

MONDAY'S MARKETS

Boeing, **Caterpillar** and **United Technologies** were the biggest drags on the blue-chip index as investors continue to assess the Trump administration's plan to impose tariffs on steel and aluminum imports.

A strong earnings season alongside recent inflation data have buoyed major stock indexes in recent days. But some analysts said they were wary of being in a later part of the economic cycle, one in which the overarching interest-rate environment is shifting and inflation-rate worries that rattled markets in February could return.

Recent economic data and geopolitical news have triggered market volatility, and analysts said the calm permeating much of 2017 was likely gone.

Some pointed to a lack of news on the trade front as a supportive factor for stocks in the short term. U.S. and European officials plan new trade talks as U.S. allies seek ways to avoid the steel and aluminum tariffs. A broader escalation of trade tensions remains a risk for investors, analysts said.

"This equity market is in a muddle-along zone," said Terry Sandven, chief equity strategist at U.S. Bank Wealth Management, adding that he expects U.S. stocks to continue to rise, though at a more muted pace than in 2017.

The Dow industrials dropped 157.13 points, or 0.6%, to 25178.61. The S&P 500 swung between small gains and losses, ending the day down 3.55 points, or 0.1%, at 2783.02. The Nasdaq Composite climbed 27.51 points, or 0.4%, to 7588.32, setting a record close for the second consecutive session and extending its winning streak to seven trading days.

Industrial stocks were the biggest decliners in the S&P 500, down 1.2%. Boeing dropped $10.33, or 2.9%, to $344.19. Caterpillar fell 3.75, or 2.4%, to 154.50, and United Tech declined 2.57, or 1.9%, to 131.50. The energy sector also weakened as crude prices slumped.

157.13

Number of points Dow Jones Industrial Average fell Monday

Inflation data have jolted stock and bond prices in recent days, and investors said they would be monitoring consumer-price index data from the Labor Department on Tuesday for more clues on price pressures.

Inflation chips away at the purchasing power of government bonds, leading to declines in Treasury prices. This, in turn, could make government bonds more attractive relative to stocks, leading some investors to reallocate cash.

Inflation rising at a faster rate could also lead the Federal Reserve to accelerate its pace of raising rates.

"Fixed income is becoming more competitive now for equities," Mr. Sandven said.

Stocks got a boost after Friday's U.S. jobs report showed that despite an increase in hiring, wage growth slowed in February while the annual wage gain in January—which initially sparked the jitters that led to the market's worst selloff in more than two years—was revised lower.

Some investors said that meant the Fed was more likely to move only gradually to raise interest rates.

Additionally, the strong jobs report may only grant a temporary reprieve for the Fed.

"Both core inflation and wages remain subdued for the moment," said **Eric Robertsen**, global head of foreign exchange, rates and credit research at Standard Chartered. "But clients expect the combination of fiscal stimulus and [U.S. dollar] weakness to ultimately lead to price pressures"—forcing the Fed to raise rates faster than had been anticipated.

Goldman Sachs Group was among the best performers in the Dow industrials after the bank said Harvey Schwartz would retire, positioning David Solomon as its next chief executive and ending the two-man race to succeed Lloyd Blankfein. Goldman shares rose 2.61, or 1%, to 273.38.

Commodity prices also headed lower as U.S. crude oil fell 1.1% to $61.36 a barrel and gold declined 0.2% to $1,319.40 a troy ounce.

Elsewhere, the Stoxx Europe 600 edged up 0.3% amid a flurry of merger news, echoing a climb in stocks across Asia.

In early trading in Asia Tuesday, Hong Kong's Hang Seng rose 0.21%, while Japan's Nikkei was up 0.08%.

Tech Gives Boost to Consumer Sectors

By Ben Eisen

Technology companies are conquering the stock market, boosting sectors not often associated with the giants of Silicon Valley.

The S&P 500 consumer discretionary sector, typically linked to shopper favorites like **Under Armour** Inc. and **Starbucks** Corp., is a prime example. It has risen 7.8% so far in 2018, even after recent market turbulence, nearly double the 4.1% rise in the broader index. The gains are due largely to its highflying tech-focused constituents **Netflix** Inc. and **Amazon.com** Inc.

The grouping offers a clue about how other S&P 500 sectors could perform later this year when index providers S&P Dow Jones Indices and MSCI shake up their index classifications. The overhaul will put some stocks often considered tech firms into nontech sectors.

That stands to boost the rearranged stock groupings and attract investor money if the stocks keep rallying. Among the five biggest U.S. companies by market value—**Apple** Inc., **Alphabet** Inc., Amazon, **Microsoft** Corp., and **Facebook** Inc.—just two will sit in the tech sector after the shift. Currently, four reside there.

Such a shift is meant to reflect the broader reach that tech firms now have across the economy, industry executives say. It holds weight for investors who have piled billions of dollars into sector-specific exchange-traded funds and mutual funds. They will see the composition of their portfolios change once the index changes take effect in September.

The power behind the consumer discretionary's 2018 rally comes from Netflix, whose 67% surge so far this year makes it the S&P 500's best performer. The sector has also been propelled by Amazon, up 37% in 2018, whose $774 billion market cap makes it the third-biggest stock in the index. Its large size gives it more pull on the market-cap weighted index.

The two stocks together make up more than 30% of the consumer discretionary sector's market value, as of Friday. That has been a key pillar of support over the past few years. The sector has been the best-performing within the S&P 500 over the nine-year bull market, increasing its share of the broader index.

A to-be-created communication services sector may get a similar boost in September. Google parent Alphabet and social-media giant Facebook will be moved from the tech sector into the new grouping, according to a partial list of moves released earlier this year. That sector will also pull in Netflix and **TripAdvisor** Inc. from the consumer discretionary sector.

"All else equal, going into the reclassification, there will be higher momentum for these communications stocks," said Sam Stovall, chief investment strategist at research firm CFRA. "In the short-term, they probably could end up outperforming."

—Gunjan Banerji contributed to this article.

Dollar Declines Ahead Of Key Inflation Data

By Daniel Kruger

The dollar edged lower Monday as investors sought confirmation about the pace of inflation after last week's weaker-than expected report on wage growth.

CURRENCIES

The WSJ Dollar Index, which measures the U.S. currency against a basket of 16 others, declined for a second consecutive day, dropping 0.2% to 83.63. The currency lost 0.2% against the euro and and 0.4% versus the British pound and Japanese yen.

The Labor Department will release data on the consumer price index Tuesday which could confirm that inflation remains tepid, even as the job market remains tight. The dollar weakened Friday after a Labor Department report showed that wages rose 2.6% from a year earlier in February, below economists' estimates, and the annual wage gain in January was revised down to a 2.8% increase. The report also showed that nonfarm payrolls rose a seasonally adjusted 313,000 last month, the strongest monthly gain since July 2016.

Investors will also be looking to reports on wholesale prices and retail sales, in a wave of data arriving before a two-day Federal Reserve meeting that concludes March 21. Policy makers are expected to raise interest rates at the meeting and are scheduled to release updated forecasts for the path of monetary policy and economic growth.

"The markets are taking a step back because it's going to be a very eventful data week for the U.S.," said Paresh Upadhyaya, who manages currencies for Amundi Pioneer Investments. "We're sort of in a holding pattern."

The inflation data are particularly important, as many private economists have forecast the Fed will raise interest rates four times this year, compared with the three increases policy makers penciled in at their December meeting. Should Fed officials signal they intend to accelerate the pace of monetary tightening, it could give a boost to the dollar.

Funds Bet on More Volatility

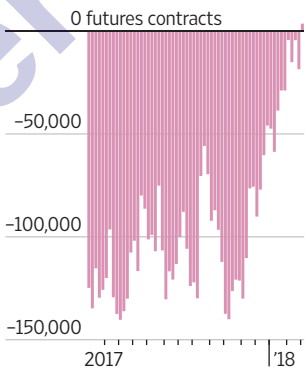
By Gunjan Banerji

Hedge funds are betting that the recent turbulence in U.S. stocks will persist—a reversal after wagering for more than two years that the equity market will remain calm.

Leveraged funds, a category that includes hedge funds, were net bullish on Cboe Volatility Index, or VIX, futures as of March 6, the latest Commodity Futures Trading Commission data show—marking the first time bullish wagers have outnumbered bearish ones on the contracts since February 2016.

The about-face by hedge funds and speculators comes after a rocky month for stocks, with the S&P 500 and Dow Jones Industrial Average entering correction territory in February as investors grew jittery about higher inflation and volatility bets gone wrong rippled through markets. Since then, market turmoil has receded, but one measure of stock volatility indicates that it remains above last year's average level.

A bullish bet on VIX futures can be a bearish bet on stocks, because the two tend to move in opposite directions. Traders can tap the derivatives to make directional bets on volatility itself or use the contracts to hedge their portfolios.



Hedge funds aren't always good at timing their volatility bets. Volatility hedge funds may have squandered a chance to shine last month. They posted lackluster returns despite a surge in market turbulence in February, according to a March 9 report from JPMorgan Chase & Co. That environment should give volatility hedge funds more opportunities to make bets on which way volatility will trend and capture profits.

Short volatility hedge funds, which bet against volatility, didn't perform well last month as market swings picked up, which is to be expected, but long volatility strategies also floundered, according to JPMorgan, which analyzed data from Eurekahedge.

Strategies used by volatility hedge funds vary. Some bet on volatility through VIX futures and options or through derivatives on single stocks and indexes. Others try to foresee and profit from the next crash in financial markets. Volatility strategies are supposed to be less correlated to other assets in a portfolio.

JPMorgan estimates about $60 billion sits in volatility hedge funds, with most managing pension fund money.

Some fund managers were likely caught off guard by the volatility spike, which came after one of the most placid years in history. A Eurekahedge short volatility index, which tracks how the funds are doing, fell 3.9% in February, according to an estimate on the firm's website.

A 3% Yield on 10-Year Treasury Remains Elusive

By Ben Eisen

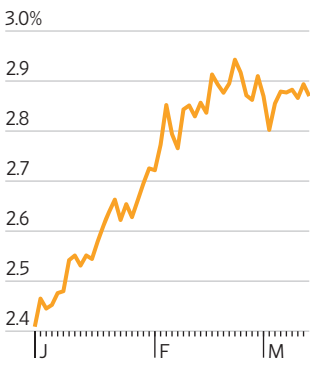
The U.S.'s benchmark Treasury note is having trouble hitting a yield of 3%.

CREDIT MARKETS

The 10-year government bond, a gauge of borrowing costs linked to everything from home loans to corporate debt, came within 0.06 percentage point of notching a 3% yield in February after a rapid climb in the past few months. But it backed off recently, suggesting the market may struggle to get above that psychological threshold in the immediate future unless there is more evidence of economic acceleration.

On Friday, a blowout jobs report showed the U.S. added 313,000 new jobs in February and worker wages continued to climb. The yield on the 10-year Treasury note pushed 0.04 percentage point higher but closed the day more than 0.1 percentage point short of 3%.

Yields have also been rangebound in recent weeks despite some investors' concerns that metals tariffs signed by President Donald Trump will spark a trade war.



On Monday, the 10-year note ended at 2.870%.

A 3% yield on the 10-year note wouldn't, on its own, drastically alter the trajectory of borrowing costs or the economy. But it suggests to investors that a strengthening growth outlook and creeping inflation support higher yields, moving further away from the historic low rates of the post-crisis period. By contrast, a falloff in yields would temper expectations that the U.S. economy has finally shifted into a higher gear.

The 3% level is also notable because yields peaked right around that milestone the last time they jumped sharply, in 2013. And they didn't stay there for long before diving back to record lows a few years later.

Part of the 3% obstacle reflects lingering doubts that inflation and economic growth are taking off as quickly as some would like to believe. Consumer prices are edging up, removing the fear of disinflation, but inflation gauges are still below the Fed's 2% annual target. Gross domestic product has had a healthy rise, but growth slowed slightly in the past few quarters.

For the moment, the bond market is sending a message that it wants to see more signs of an accelerating economy.

U.S. Government Bonds Strengthen

Prices of U.S. Treasurys rose Monday ahead of a key inflation reading that investors hope will shed light on whether price pressures are increasing.

The yield on the benchmark 10-year U.S. Treasury note settled at 2.870%, compared with 2.894% Friday.

Yields, which fall as bond prices rise, slipped overnight, then extended their declines after the Treasury Department auctioned off $21 billion in 10-year notes at a slightly higher yield than expected.

Heading into the auctions, some investors had worried that tepid demand could stoke renewed selling of the 10-year note, whose yield has crept back to near its highest level of the year in recent sessions. Yet trading volumes were relatively low throughout the day, analysts say, suggesting that investors are largely looking past the auction results and focusing on Tuesday's consumer prices report.

Economists surveyed by The Wall Street Journal expect the consumer-price index, which measures what Americans pay for everything including prescription medication and breakfast cereal, to increase by 0.2% in February, down from 0.5% in January.

The report on January consumer prices, which caught many investors and analysts off guard, had sent the yield on the 10-year note jumping to a multi-year high, as some worried that the data could pressure the Federal Reserve to pick up its pace of interest-rate increases. The central bank has penciled in three interest-rate increases for the year. Some investors believe that number could shift to four: the market late Monday priced in a 33% chance of the Fed raising short-term interest rates four times by year-end , according to federal-funds futures tracked by CME Group, up from 16% one month ago.

—Akane Otani

AUCTION RESULTS

Here are the results of Monday's Treasury auctions. All bids are awarded at a single price at the market-clearing yield. Rates are determined by the difference between that price and the face value.

13-WEEK AND 26-WEEK BILLS

	13-Week	26-Week
Applications	$159,497,611,300	$165,155,645,000
Accepted bids	$51,000,382,800	$45,000,382,000
" noncomp	$709,041,300	$616,598,000
" foreign noncomp	$160,000,000	$300,000,000
Auction price (rate)	99.577861 (1.670%)	99.064722 (1.850%)
Coupon equivalent	1.700%	1.893%
Bids at clearing yield accepted	90.27%	4.26%
Cusip number	912796PL7	912796NV7

Both issues are dated March 15, 2018. The 13-week bills mature on June 14, 2018; the 26-week bills mature on Sept. 13, 2018.

THREE-YEAR NOTES

Applications	$82,241,962,600
Accepted bids	$28,000,025,100
" noncompetitively	$112,562,600
" foreign noncompetitively	$200,000,000
Auction price (rate)	99.824555 (2.436%)
Interest rate	2.375%
Bids at clearing yield accepted	17.35%
Cusip number	9128284B3

The notes, dated March 15, 2018, mature on March 15, 2021.

NINE-YEAR, 11-MONTH NOTES

Applications	$52,412,291,900
Accepted bids	$21,000,005,900
" noncompetitively	$16,251,900
" foreign noncompetitively	$0
Auction price (rate)	98.805633 (2.889%)
Interest rate	2.750%
Bids at clearing yield accepted	43.16%
Cusip number	9128283W8

The notes, dated March 15, 2018, mature on Feb. 15, 2028.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

MARKETS

OPEC Price Fight, U.S. Output Hit Oil

By Stephanie Yang And Neanda Salvaterra

Oil prices fell Monday, weighed down by concerns about a rapid rise in U.S. crude output as cracks emerged in OPEC's united front on output cuts.

Light, sweet crude for April delivery fell 68 cents, or 1.1%, to $61.36 a barrel on the New York Mercantile Exchange. Brent, the global benchmark, declined 54 cents, or 0.8%, to $64.95 a barrel.

A difference of opinion among members of the Organization of the Petroleum Exporting Countries on the ideal price for crude oil highlighted concerns over increasing shale output and U.S. producers' ability to potentially crash the market.

Iran wants OPEC to work to keep oil prices around $60 a barrel to contain U.S. shale producers, Oil Minister Bijan Zanganeh told The Wall Street Journal in a rare interview, while Saudi Arabia has played down shale's ability to upset the market and has indicated $70 for oil is acceptable.

"The strong shale oil revival is starting to get more attention," said Bjarne Schieldrop, chief commodities analyst at SEB Markets. "You see that the inventory is increasing and the softening signals we are getting from OPEC saying 'hey we should aim for $60 instead of $70 oil.' All of this is weighing on the market."

U.S. companies are already responding to higher oil prices this year, with weekly production repeatedly hitting record highs.

According to the U.S. Energy Information Administration, weekly production rose to a record 10.369 million barrels a day in the week ended March 2.

"We have raging U.S. production," said Stephen Schork, editor of the energy trading newsletter the Schork Report. "We can expect to see increased rigs, increased production coming to the fore."

Crude inventories have increased by more than 5 million barrels since mid-February, as refiners have processed less crude into products during maintenance season.

OPEC and external allies such as Russia have been involved in a yearslong effort to eliminate about 2% of the global crude supply and prop up crude prices that underwent an almost three-year downturn.

On Friday, data showing a surprise decline in active U.S. oil rigs helped boost oil prices more than 3%, building on strong economic data and rising U.S. stocks.

"Markets are starting to fear that U.S. shale's growth could undermine oil market balance by the end of 2018," analysts at J.P. Morgan wrote on Friday.

Concerns over shale pushed oil prices out of lockstep with broader markets on Monday. In recent weeks, oil has taken cues from moves in stocks and the dollar, bolstered by increased risk appetite amid signs of healthy economic growth.

"The dynamic has certainly shifted from Friday's optimistic trade," said Tony Headrick, an analyst with CHS Hedging. "It seems here we're set up for a fairly downbeat week."

Concerns over shale pushed oil prices out of lockstep with broader markets.

Speculators have also pared their bets on higher oil prices in recent weeks. According to the Commodity Futures Trading Commission, bullish positions outnumbered bearish ones by 446,023 contracts in the week ended Tuesday, down from the previous week but still hovering near an all-time high reached in January.

Investors will be anticipating OPEC's next move as concerns about U.S. production likely will dominate the oil cartel's June meeting in Vienna.

"They are not going to throw in the towel and say 'we don't care about this anymore,'" said Mr. Schieldrop. "But they may say we can't have these high prices and scale back the cuts."

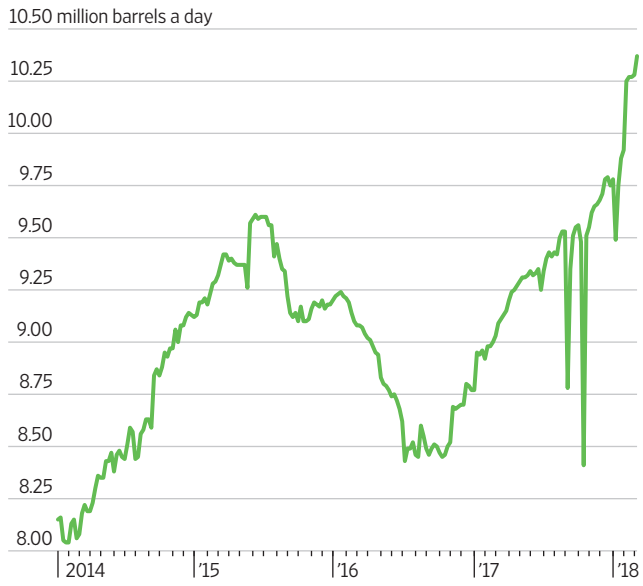
Gasoline futures fell 0.5% to $1.8940 a gallon and diesel futures declined 1.2% to $1.8647 a gallon.

Major oil exporters are debating how high oil prices can rise...

Brent crude oil price, leading contract, daily

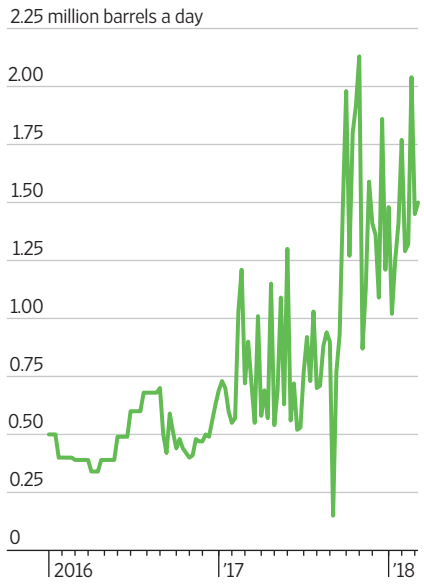
...without prompting U.S. producers to ramp up activity further...

U.S. oil production, weekly



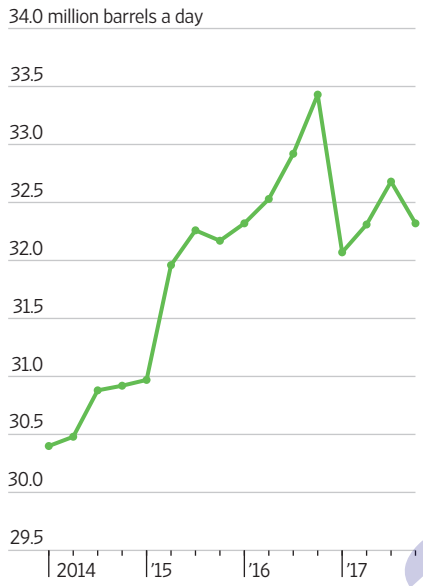
...exacerbating global oversupply....

U.S. oil exports, weekly



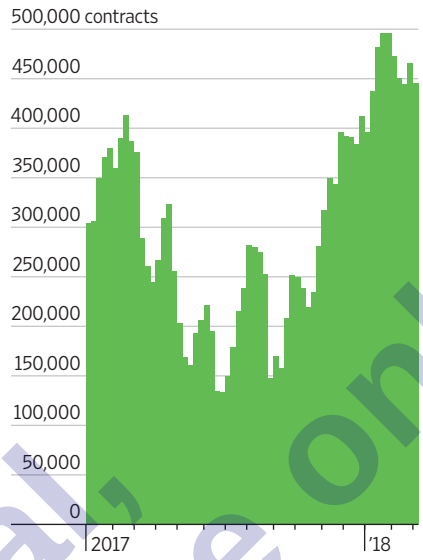
...and negating supply cuts by OPEC.

OPEC oil supply, quarterly



Meanwhile, speculators have pared net bullish positions.

Net positions, weekly



Source: WSJ Market Data Group (Brent prices); U.S. Energy Information Administration (oil production and exports); International Energy Agency (OPEC supply); Commodity Futures Trading Commission (positions)

THE WALL STREET JOURNAL.

HEARD ON THE STREET

Email: heard@wsj.com FINANCIAL ANALYSIS & COMMENTARY WSJ.com/Heard

Getting the Drop on Big Technology IPOs

Can a fattened unicorn still run? A lot is riding on that answer.

An important test will come this week, and it will show how hard it will be for IPO prices to top valuations for private tech companies valued at or above $1 billion—also known as unicorns. That was apparent on Monday, when **Dropbox**, valued privately at $10 billion, set its pricing terms at a valuation of between $7 billion and $8 billion. Next up are **Spotify** and a provider of cloud-based security software called **Zscaler**, both of which filed initial papers last month to list their shares with the public.

Dropbox, expected to price next week, will be the largest tech initial public offering since Snapchat parent **Snap** Inc. made its debut in March 2017. Dropbox benefits from having a longer operating history and a more established business model than the upstart social network did. It also has never made a profit, and barely 2% of its 500 million registered users actually pay the company for the service.

The much smaller Zscaler offering is expected to price later this week. Spotify, meanwhile, is hosting an investor broadcast on Thursday in preparation for a direct listing that could take place later this month or early next month.

The three companies are the first unicorns to brave the IPO waters this year. Chinese smartphone maker **Xiaomi**, last valued at a whopping $46 billion, reportedly is considering a dual listing for later this year, though no public filings to that end have been made.

Spotify, Dropbox and Zscaler are all very different businesses, which means public investors will likely respond differently to each one. But all must deal with high expectations right out of the gate.

Private money has gushed into pre-IPO tech companies over the past few years, precisely in the hopes that public investors will eventually cash them out. The number of private companies valued at more than $1 billion currently sits at 169, up 72% over the past three years, according to The Wall Street Journal's tracking.

But even in this crew, expectations vary widely. Of the seven unicorns to brave the IPO waters last year, the best performers relative to their private valuations were **MuleSoft** and **Okta**. Both are smaller enterprise software providers that had been privately valued at just a little more than $1 billion.

Both managed to price their offerings at respective premiums of 43% and 29% to their last private-valuation levels. Both, incidentally, have also seen their share prices double or more from their IPO levels.

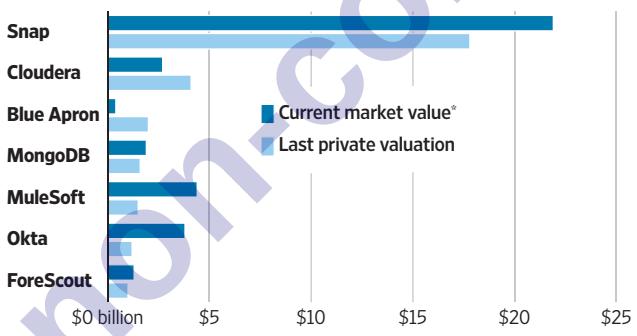
That bodes well for Zscaler, last valued privately at $1 billion. Spotify and Dropbox, last valued at $20 billion and $10 billion, respectively, have a much higher bar to leap over. Spotify most of all, since it plans to skip the formal IPO process in favor of a direct listing. The company also has the most challenging business model, with low gross margins due to the royalties it pays to music labels.

Spotify and Dropbox both benefit from the visibility of being well-known companies that offer very popular services. That, of course, is why private investors have already crowded in. Public investors may profit more by questioning the wisdom of the crowds.

—Dan Gallagher

Billion-Dollar Club

Valuations for tech IPOs in 2017



*Based on March 9 closing prices
Sources: FactSet; VentureSource

THE WALL STREET JOURNAL.

OVERHEARD

Will it really be *auf Wiedersehen* forever?

One of the most iconic cars in history, the Beetle, got a controversial third lease on life in 2011.

Hoping to cash in on a retro vibe, **Volkswagen** brought back a new and since-updated version of the car that year after an eight-year hiatus.

But, according to remarks by a VW executive at the Geneva Auto Show quoted by Britain's AutoCar, it is getting a bit old.

It was "made with history in mind, but you can't do it five times and have a new new new Beetle," the executive said.

A move toward a more macho "more power, less flower" image in the latest retread doesn't seem to have boosted sales enough, hence the company's decision to kill the Beetle, perhaps for good this time.

That's all Volks.

Prada Turns Investors' Heads Too Far

Fashionistas can seem hysterical when it comes to the latest trends. But fashion-company shareholders don't appear immune.

When Italian luxury-goods maker Prada revealed poor first-half results in September, its shares slid 12%. Monday, after it said sales for the first two months of 2018 were up 7.5%, its stock jumped 15%. Some moderation is in order.

Better sales in luxury-crazed China, where Prada rakes in more than 20% of its revenue, are helping—although the company said the improvement was broad-based.

Still, much of the share-price rebound is technical. The number of Prada's shares out on loan—a proxy for short-selling interest—had by last week reached about 6% of its free float, according to IHS Markit. That equates to almost 20 days of average daily turnover—making a big squeeze likely when market sentiment turns.

Another risk is that China's luxury sales have been booming, buoyed by a surging property market. The two are closely correlated, and with the housing market set to slow, luxury sales could take a hit, too.

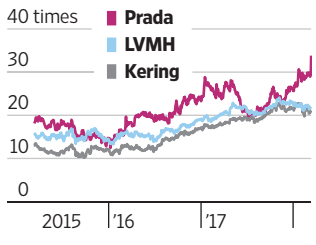
A strong euro could also eat into Prada's margins: It makes 60% of its sales outside Europe, but reports in euros. The currency impact could wipe out any improvement in its profit margin this year, Morgan Stanley estimates.

All this makes the hefty premium that Prada commands relative to its peers look unjustified. After Monday's move, it trades at 34 times this year's expected earnings, while competitors **LVMH Moët Hennessy Louis Vuitton** SE and **Kering**, owner of Gucci, both trade at around 21 times.

Investors looking for luxury bargains may have to look elsewhere. *—Jacky Wong*

Shopaholic

Forward price/earnings ratio



Source: FactSet

Running the Numbers on Deutsche's Spin

Deutsche Bank has made the selling price of its asset-management arm attractive. That is good, because the business has major handicaps.

For the bank itself, the partial initial public offering later this month in Frankfurt will help to cover some still-hefty restructuring and investment costs. For DWS Group, the rebranded asset manager, the listing bring some independence and a way to pursue growth through takeovers using stock, not precious cash.

The price range for the sale of 20% to 25% of DWS, released late Sunday, suggests a market valuation of between €6 billion and €7.2 billion ($7.38 billion to $8.86 billion). As a proportion of assets under management, that is in line with European rival Amundi—which has twice DWS's assets—and a discount of one-third to BlackRock, which is nine-times as large.

DWS's valuation looks even less demanding at just 13.8 times 2017 earnings, assuming a tax rate of 30%. That compares with 18.6 times for Amundi or 19-times for BlackRock.

The discount is needed to balance DWS's weak recent performance and the limited influence new shareholders will have. Deutsche Bank retains the power to hire and fire through control of the supervisory board as long as its stake is above 40%.

Questions about Deutsche's stability in 2016 provoked big outflows. Things didn't improve much last year outside Germany. DWS's other problem is costs: They are much higher as a share of both revenue and assets than Amundi or BlackRock and higher even than a naturally more expensive equity-focused active manager like U.K.-based Schroders.

The forgiving valuation should mean the listing gets done. Deutsche Bank will get proceeds of up to €1.5 billion in cash, which will help pay for restructuring.

The real question is how attractive DWS stock will be as a takeover currency. Without governance improvements, the answer could be: not very. For Deutsche and DWS, this sale looks like a story of marginal gains at best.

—Paul J. Davies

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

A SPECIAL SUPPLEMENT PROVIDED BY BARRON'S MAGAZINE, A DOW JONES PUBLICATION

BARRON'S

AMERICA'S TOP 1200 FINANCIAL ADVISORS

The 10th edition of our annual state-by-state ranking features 15 new No. 1 advisors. Who's tops in your state? Tables begin on page 11.

For personal, non-commercial use only.

Reprinted from the March 12, 2018 issue of Barron's.
The Wall Street Journal news organization was not involved in the creation of this content.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

S&P Dow Jones Indices

A Division of S&P Global

S&P DJ I can ▸ launch big ideas

When engineering new strategies and creating index-linked vehicles that enhance allocations, working with S&P Dow Jones Indices makes the transformative difference. Global product issuers turn to our indices to expand into new territories. Together, we help power growth and enable investors to explore with greater confidence.

indexology®
sets the course
spdji.com/indexology

© S&P Dow Jones Indices LLC, a division of S&P Global 2018. All rights reserved. S&P® and Indexology® are registered trademarks of Standard & Poor's Financial Services LLC. Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC. It is not possible to invest directly in an index. S&P Dow Jones Indices receives compensation for licensing its indices to third parties. S&P Dow Jones Indices LLC does not make investment recommendations and does not endorse, sponsor, promote or sell any investment product or fund.

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

AMERICA'S TOP 1,200 ADVISORS

Our annual state-by-state listing of the leading financial advisors. What they're recommending now.

by Steve Garmhausen

Illustrations by Muti

This year's stock market has been a roller-coaster ride: By mid-February, the number of 1% moves had matched all of 2017's—and that was before the recent trade-war jitters. But the return of volatility—after a year and a half of gradual, steady ascent—is no big deal for clients of Merrill Lynch advisor Richard Jones. "Surprisingly, we've had very little concern expressed by our clients," says Jones, who helps lead a $16.37 billion practice in Los Angeles. "It was mostly a nonreaction." Many of Jones' clients experienced the 2008-09 crash and the recovery. During that period of turbulence, they learned that staying in your seat is far preferable to jumping out. The blowout also spurred advisors like Jones to educate clients that volatility is normal—and to drive that point home, again and again.

"With clients who have been through 2008, we spent a huge amount of time explaining long-term cycles," says Jones. "And recently, we've been explaining that we had 18 months of virtually no volatility, so we were kind of due."

Even as they guide clients through the markets' twists and turns, Jones and the rest of the Barron's Top 1,200 advisors find their indus-

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

As they guide clients through the markets' twists and turns, advisors are finding tougher regulation, fierce price competition, and the rise of independent firms swiftly reshaping their industry.

try changing significantly. Tougher regulation, fierce price competition, and the rise of independent firms are swiftly reshaping what a successful advisory practice looks like.

"It's a really exciting time because there are forces acting on our industry that are making us all get better quickly," says John Alexander, who is responsible for the western half of the U.S. for Wells Fargo Advisors. "They're speeding up the industry life cycle."

Like Alexander, the best private-wealth advisors are embracing the challenge. Our annual Top 1,200 ranking recognizes standouts from all 50 states, plus the District of Columbia. It's our largest, most comprehensive listing, and it encompasses everyone from independents, who own and operate their own practices, to advisors from the big Wall Street firms.

This special report names the top advisors in each state, with the number of ranking spots determined by each state's population and wealth. Our rankings are based on assets under management, revenue generated by advisors for their firms, and the quality of the advisors' practices. Investment performance isn't an explicit criterion because performance is often a function of each client's appetite for risk. In our evaluations, we examine regulatory records, internal company documents, and 100-plus points of data provided by the advisors themselves.

A couple of the noteworthy moves in this year's listings: Michael Gallagher with Morgan Stanley in Chicago zoomed from No. 21 to No. 4 in Illinois. Independent advisor Scott Horn, in Phoenix, rose to the top spot in Arizona from No. 4. In all, there were 15 new No.1s across the country.

Our advisors see a bull market that, in its ninth year, is getting long in the tooth. But they aren't concerned about a bear market or a recession in the near future. Given this year's increased stock market volatility, investors might want to head for the perceived safety of bonds, but Morgan Stanley's Gregory Vaughan, our top-ranked advisor in California, waves the caution flag.

"Investors sometimes think bonds are safer than equities, but growing dividends to me is more interesting as an investment than cash flow from a bond," he says. "I'm willing to live with the equity risk, rather than the interest-rate risk."

Indeed, the recent corrections make stocks even more compelling, contends Morgan Stanley's Shawn Fowler, Barron's top advisor in Colorado. "It's a great time to be buying assets," he says. Fowler likes high-quality, dividend-growth equities, both U.S. and international.

In fact, many advisors are looking abroad for good deals on stocks. Jeff Erdmann, who is No. 1 in Connecticut, had a third of his stock allocation in developed foreign and emerging markets. "If we look out over the next five years, my guess is you'll be rewarded for being in those different regions," he says.

Another theme among many of our top advisors is that actively managed investments, which have trailed passive exchange-traded and index mutual funds over the past decade or so, are primed for a comeback.

"In straight-up markets, people tend to be better with ETFs," says Morgan Stanley's Marvin McIntyre, our leading advisor in Washington, D.C. But, he maintains, in volatile markets, active managers can provide superior performance by picking winners and avoiding losers.

The emphasis on stocks isn't to say that investors should ditch bonds altogether. "You have to have some bonds in your portfolio because of the volatility we're starting to experience in equities," says independent advisor Kimberlee Orth, our No. 1 in Delaware. However, most advisors are keeping durations short, often three years or less. The longer a bond's duration, the more vulnerable it is to rising interest rates.

Financial advisors play a critical role in helping clients from across the wealth spectrum protect, manage, and deploy their money. And many of these pros are doing so under tough new regulatory requirements. In 2016, the Department of Labor issued a fiduciary standard that now applies to all retirement accounts. Broadly, it dictates that advisors must put clients' interests ahead of their own. On a practical level, it reduces conflicts of interest, dramatically reining in advisors' ability to recommend investment products based on how big a commission they'll earn.

The best advisory firms, led by many of the independents, had been moving in this direction for years. But the DOL rule gave those who were waffling a shove in the right direction. The rule has plenty of critics, notably the Trump administration—which has delayed implementation of its enforcement mechanism until next year, and may ultimately kill it.

Still, there's a sense in the industry that the fiduciary era is here to stay. The big question is when best-interest requirements are extended to nonretirement accounts. A note here: Registered investment advisors, overseen for the most part by the Securities and Exchange Commission, are already required to act as fiduciaries across all account types. Brokers, under the industry's Financial Industry Regulatory Authority, are held to a fiduciary standard only on retirement accounts.

"It is clear that, if we want to best serve consumers, we will adopt a nationwide, consistent, fiduciary standard," says Charles Goldman, the former head of institutional platforms for both Fidelity and Charles Schwab, who is now on the board of Personal Capital, a digital wealth management provider.

Indeed, the SEC, under new Chairman Jay Clayton, has begun work on a standard covering both retirement and taxable accounts. Such an effort had been hobbled by partisan disagreements in recent years, and it remains to be seen if a bipartisan solution can be developed.

Advisors are also feeling fee pressure from robo-advisors, automated digital investing platforms such as Betterment and Wealthfront that charge a fraction of what humans do. Robos are no passing fad: Big Wall Street firms, from Merrill Lynch to Fidelity Investments, have launched digital advice platforms in the past couple of years, in large part to cater to customers with fewer assets and less-complex needs.

Along with passive funds, robos have turned investing into a low-cost commodity, forcing advisors to demonstrate added value by doing more planning, educating clients' kids, or even providing perks like travel advice. "Is there a trend toward doing more for clients? Unequivocally, the answer is yes," says Andy Saperstein, co-head of Morgan Stanley's wealth management business.

Advisors who don't step up their service will have to lower fees in order to compete, adds Mark Tibergien, CEO of Pershing Advisor Solutions, a custodian for independent advisors. Either way, the client is the winner, he says: "The lesson for consumers is to make sure that the pricing of your advisor is in line with what they're delivering."

Robos, which use index-tracking ETFs, are also putting pressure on active investment managers, says Steve Lockshin, a former Barron's No. 1 advisor who heads AdvicePeriod in Los Angeles. "Alpha [beating indexes] is dead," says Lockshin, an investor in Betterment. "The industry will have to step up its game when it comes to net after-tax returns or pay the price of lost clients."

Meanwhile, independent advisors are consolidating, gaining heft, and in many ways raising industry standards. Take $8.5 billion-asset Carson Wealth Management Group, in Omaha, Neb. The firm has developed a technology that quantifies all the value clients receive from their advisor, from advice on the sale of a business or the analysis of expected Social Security benefits. That's far ahead of most firms, which only report investment performance.

Newer, upstart firms are challenging the industry's compensation model. While most firms charge sales commissions or an annual percentage of assets under management, Lockshin's AdvicePeriod offers a retainer fee that can be a better deal for wealthy clients.

Look for the advisory industry to consolidate at a faster pace, says Saperstein of Morgan Stanley. Technology, from digital advice to cybersecurity, is a huge expense that only the biggest firms will be able to afford, he argues.

Meanwhile, advisors are well aware that the nine-year bull market can't go on forever. When markets are strong, advisors are geniuses, and their clients are happy. When markets struggle, the opposite is true. As Wells Fargo's Alexander puts it: "When bull market ends, you're going to have to be adding lot of value to clients."

Our Top 1,200 already add plenty of value; that's why they boast average annual client retention rates north of 98%. They generally work in teams, typically consisting of 11 people, to deliver broad and deep service. Because the average age of our advisors is above 55, the teams increasingly seek young talent that can bridge generations and, one day, take over leadership.

While the work requires total commitment, it also pays well, with good reason: The average team pulled in $10.6 million of revenue over the past year, typically from about 600 client households. ■

Heads of State

Current Top 1,200 advisors who have ranked No. 1 in their states for three years or more.

Current No. 1 advisor in their state | Active as C-suite executive

State	Advisor Name	Firm	No. of Years Ranked First in State	Years Ranked No. 1
Mississippi	**Michael Dowell**	Morgan Stanley Wealth Mgmt	10	2009-'18
Rhode Island	**Malcolm Makin**	Raymond James	10	2009-'18
Washington D.C.	**Marvin McIntyre**	Morgan Stanley PWM	9	2009-'11, 2013-'18
Georgia	**Rod Westmoreland**	Merrill Lynch PBIG	9	2010-'18
Illinois	**Steven Hefter**	Wells Fargo Advisors	9	2010-'18
Nebraska	**Ron Carson**	Carson Wealth Mgmt Group	9	2009-'17
New Mexico	**John Moore**	John Moore Assocs / Raymond James	9	2009-'16, '18
Wisconsin	**Andrew Burish**	UBS Financial Services	9	2009-'17
Alabama	**Robert Runkle**	Merrill Lynch Wealth Mgmt	8	2009-'12, 2014-'17
Kentucky	**Barry Barlow**	Merrill Lynch Wealth Mgmt	8	2011-'18
Colorado	**Shawn Fowler**	Morgan Stanley PWM	7	2011-'12, 2014-'18
Connecticut	**Jeff Erdmann**	Merrill Lynch PBIG	7	2009, 2011, 2014-'18
Missouri	**Michael Jefferies**	UBS Financial Services	7	2010, 2012, 2014-'18
Nevada	**Randy Garcia**	The Investment Counsel	7	2010-'11, 2014-'18
North Dakota	**Troy Nelson**	Edward Jones	7	2012-'18
Minnesota	**Peter Eckerline**	Merrill Lynch Wealth Mgmt	6	2009-'12, 2015, 2017
South Dakota	**Gordon Wollman**	Raymond James	6	2009, 2011, 2013-'16
Tennessee	**Timothy Pagliara**	CapWealth Advisors	6	2012-'16, 2018
Michigan	**Charles Zhang**	Zhang Financial	6	2013-'18
Kansas	**Martin Bicknell**	Mariner Wealth	5	2009-'13
Massachusetts	**Raj Sharma**	Merrill Lynch PBIG	5	2009-'13
Montana	**James B. Stack**	Stack Financial Mgmt	5	2014-'18
New Jersey	**Gary Tantleff**	UBS Financial Services	5	2013-'14, 2016-'18
Pennsylvania	**John Waldron**	Waldron Private Wealth	5	2010-'14
South Carolina	**Cheryl Holland**	Abacus Planning Group	5	2014-'18
Washington	**Erik Morgan**	Freestone Capital Mgmt	5	2013-'15, 2017-'18
Washington	**Phil Scott**	Merrill Lynch Wealth Mgmt	5	2009-'12, '16
Arkansas	**Joseph Small**	Small and Associates Financial	4	2011-'14
Florida	**Patrick Dwyer**	Merrill Lynch PBIG	4	2010-'11, 2015-'16
Idaho	**Sandra Dalton**	UBS Financial Services	4	2012, 2016-'18
Maryland	**Robert Scherer**	Graystone Consulting	4	2015-'18
Massachusetts	**Greg Miller**	Wellesley Asset Mgmt	4	2015-'18
New Hampshire	**John Habig**	Morgan Stanley Wealth Mgmt	4	2014, 2016-'18
New York	**Brian Pfeifler**	Morgan Stanley PWM	4	2009, 2014-'16
North Carolina	**R. Mitchell Wickham**	Merrill Lynch PBIG	4	2011-'13, 2015
Oklahoma	**Jeffrey Blumenthal**	Wells Fargo Advisors	4	2012-'13, 2015-'16
Oregon	**Judith McGee**	Raymond James	4	2015-'18
Vermont	**Tim Stotz**	Morgan Stanley WM	4	2014-'16, 2018
Virginia	**Stephan Cassaday**	Cassaday	4	2014, 2016-'18
Virginia	**Ric Edelman**	Edelman Financial	4	2010-'13
Wyoming	**Jeffrey Vincent**	Vincent Finanical Services	4	2011, 2013, 2017-'18
Arizona	**Allan Flader**	RBC Wealth Mgmt	3	2014-'16
California	**Gregory Vaughan**	Morgan Stanley PWM	3	2015-'16, 2018
Delaware	**Kimberlee Orth**	Ameriprise Financial	3	2016-'18
Hawaii	**Alan Kodama**	Ameriprise Financial	3	2015-'16, 2018
Kansas	**Peter Mallouk**	Creative Planning	3	2014-'16
Maine	**Todd Doolan**	Morgan Stanley Wealth Mgmt	3	2016-'18
Missouri	**Bud King**	UBS Financial Services	3	2009, 2011, 2013
North Carolina	**William Oliver**	Wells Fargo Advisors	3	2016-'18
Ohio	**Valerie Newell**	RiverPoint Capital Mgmt	3	2016-'18
Pennsylvania	**Grant Rawdin**	Wescott Financial	3	2015-'17
Texas	**Richard Szelc**	Neuberger Berman	3	2016-'18

Finding Opportunities as Rates Rise

By Cheryl Winokur Munk

With interest rates climbing, financial advisors are doing more hand-holding with clients these days, helping temper their expectations, and in some cases, calm their jitters.

"It is a subject that is coming up in almost every conversation with our clients. They are very nervous," says Patricia C. Brennan, president and chief executive of Key Financial, a registered investment advisory in West Chester, Pa. "There's a lot more agita than I would have expected.".

Even advisors who report that their clients aren't panicked say the topic of interest rates is top-of-mind. They say many investors want reassurance that their portfolios are positioned properly for a rising-rate environment. Certainly, the concern is understandable. Since the Fed started raising rates in December 2015 after a multiyear hiatus, its gradual tightening has taken the federal funds rate from near zero to a range of 1.25% to 1.5%. What's more, the Fed has signaled its intention to make several rate hikes this year and next, assuming robust economic conditions remain.

Amid rising rates, advisors have found it necessary to temper clients' expectations—some of whom may never have experienced a rising-rate environment—about the types of returns their fixed-income portfolios might provide going forward.

Jennifer Ellison, a principal at BOS, a registered investment advisory in San Francisco, is telling investors to expect periods within the next five to 10 years when total returns within their fixed-income portfolios could be modestly negative.

Elias Stein for *Barron's*

While the possibility of even slightly negative returns could make stocks more tempting, advisors urge clients to think twice before making hasty asset-allocation changes. "They have to remember that stocks are expensive. Stocks come with significantly more volatility than bonds," Ellison says.

For added protection, she recommends investors tweak their fixed-income portfolios to ensure they are holding a combination of bonds that are inflation-protected and those that aren't, as well as some foreign bonds. In her firm's portfolios, she's looking mostly at short-duration, high-quality investments—less-risky bonds that will provide stable returns for clients.

While most of her clients are still comfortable holding fixed income, Brennan of Key Financial says she's fielding the occasional question on whether it's prudent to get out of fixed income entirely. Her answer is an unequivocal no.

She tells concerned clients that fixed income remains an important asset class for reasons such as income generation and protection against stock-market volatility. She's guiding them to be smart about the types of bonds they hold. While 30-year corporate bonds are risky in a rising interest-rate environment, five- or seven-year corporates or municipal bonds could be a good investment, she says. She also sees some opportunities in international bonds, primarily sovereign debt or emerging market debt.

Several advisors are reminding clients that slowly rising rates aren't going to have a dramatic impact on their long-term portfolios—especially if they employ a laddering strategy. A bond ladder is a portfolio of fixed-income securities in which each security has a different maturity date.

Advisors are increasingly calming clients as they cope with a shifting rate environment. Don't panic, they say, and think twice about hasty changes in allocations.

In one recent client meeting, Laura Crowell, a financial advisor with Edward Jones in Magnolia, Ark., demonstrated how small the impact of rising rates has been over the past year on her client's long-term position. In fact, in some cases, rising rates are helping buoy returns. "It's all about laddering, setting expectations, and being proactive with the clients and keeping a long-term stability of income focus," she says.

The outlook for fixed income might be different if the Fed were raising rates haphazardly, but that hasn't been the case—and most likely won't be, says Alan Rechtschaffen, a senior portfolio manager at UBS, who expects the central bank to continue its measured approach to tightening. In discussions with investors, he has been reiterating his expectation that rates will continue to rise slowly and that the yield curve will continue to flatten. He tells investors that if they allocate properly, using a laddered approach, they will be able to take advantage of a slowly rising rate environment. "Maturing bonds allow you the ability to take advantage of whatever's happening with interest rates because you always have money to deploy," he says.

Another tactic advisors are using is to help clients understand that even when bonds come under pressure, it's typically much less dramatic than when stocks go topsy-turvy. For example, when the rate on the 10-year Treasury bond went from 4.66% to 6.68% from February 1999 to January 2000, the Bloomberg Barclay's U.S. Aggregate Bond Index lost 1.85%, according to Brennan.

During that period, the Bloomberg Barclays U.S. Long Treasury index lost 8.26%, but Bloomberg Barclays U.S. Corporate High Yield Index was nearly flat, at a positive 0.46%, and the Credit Suisse Leveraged Loan Index (floating rate) was actually up 5.43%, she says.

Brennan also tells clients that even in a rising-rate environment, there can be pockets of strength. For example, floating-rate or high-yield bonds are poised to do better, she says. She also likes municipal bonds. "We want to navigate through this rising interest-rate cycle with the understanding that there is risk in those categories as well," she says.

Longer term, she's keeping a close watch for signs of a possible recession. In 13 of the past 16 tightening cycles, there's been a recession, she says. In that environment, high-yield and floating-rate bonds may have a higher rate of default. "So we have to be careful with that," she says.

For now, though, many advisors are urging clients to sit tight and not make drastic, unwarranted changes to their portfolios.

Unless there is a specific shift in a client's objectives, advisors at her firm aren't recommending dramatic portfolio changes based on increases in interest rates, says Theresa de Leon, managing director and senior vice president at PNC Asset Management. "If clients are balanced properly, they should be in good shape," she says. ■

HOW TO REUSE THIS CONTENT
To repurpose this content digitally or in print, please contact Dow Jones Reprints and Licensing.
Telephone: 1-800-843-0008
E-mail: customreprints@dowjones.com

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

SPECIAL REPORT

Leaders of the Pack

Interest rates are on the rise, and for financial advisors that means a reckoning has arrived for the fixed-income instruments they deploy in client portfolios. The following profiles of the top-ranked advisors in each of 50 states and Washington, D.C., detail how advisory strategies are adapting to rising interest rates, increased volatility in the stock market, and other events. Our complete state rankings start on page 11.To select the leaders and the other top advisors in each state, we examined 102 pieces of data from each advisor. The quantitative criteria considered include assets under management and revenues; the qualitative factors include the advisors' regulatory records, charitable work, and work experience.

ALABAMA

Tony Smith, UBS Financial Services

WHEN HE WAS 20, TONY SMITH GOT A JOB IN A family office, giving him a head start in knowing how to serve the highly affluent. One key lesson was the importance of a coordinated strategy among investment advisors, professional accountants, and estate planners. "We've attempted to build that into our team so that we have those components internally," says Smith, now 52 and a UBS advisor in Birmingham. Smith manages $3.2 billion, primarily for ultrahigh-net-worth families. Despite the age of the recovery, he views the U.S. economy as on "pretty healthy footing." His portfolio allocations are about 65% large-cap global equities, and about 20% in short- to intermediate-term municipal bonds. Another 5% or so is in alternatives, with 5% to 10% in cash. Smith kicks back by hunting turkey and whitetail deer on a farm he owns in Alabama. Walking alone in the woods, he says, often clarifies his thinking.

– Ross Snel

"If you pay attention to managing risk, return tends to take care of itself, particularly in a bull market."

Total Assets	**$3.2 billion**
Typical Account	**$50 million**
Typical Net Worth	**$100 million**

ALASKA

Jeff Leonard, Raymond James

JEFF LEONARD, 48, ISN'T A BIG RISK TAKER, AND he isn't interested in chasing returns. "We aren't trying to outguess trends," he says. Instead, he favors asset allocation, moderation, and staying the course. "It's about creating predictable, reliable returns and meeting cash-flow needs," he says. Many clients are in the withdrawal stage, so they aren't looking to take big risks. Leonard started his career as a certified public accountant, but liked the idea of having a financial-advisory practice. He started Leonard & Martens, which is affiliated with Raymond James, in 1999 and took on a partner a few years later. He focuses a lot on tax planning. Most clients are invested 60% in stocks and 40% in bonds, though some have 10% in nontraditional assets. Because of substantial upfront discussions, it's rare that someone insists on investing in something Leonard feels is too risky: "I'm not going to sign off on anything that I don't think is in a client's best interest."

– Cheryl Winokur Munk

"People come to us not to lose their money but to grow it, outpace inflation, save on taxes. They aren't chasing last year's hot stock or manager."

Total Assets	**$565 million**
Typical Account	**$2 million**
Typical Net Worth	**$2.8 million**

ARIZONA

Scott Horn, TFO Phoenix

FOR SCOTT HORN, 49, BUILDING LONG-TERM PORTFOLIOS is just a starting point. The president of TFO Phoenix says the heavy lifting is helping multigenerational families create missions for their money. That has led to some unexpected projects for Horn's team of 32, which serves 150 ultrahigh-net-worth families. Once, the team spent two years helping a family focus its philanthropic ambitions. "We basically did an open RFP process and said, 'Come one, come all, show us how you'd use this money,' " he says. Horn and the family winnowed some 450 proposals down to five. While sitting in a Chicago classroom watching underprivileged 6-year-olds having fun learning to read, they found their charity: Reading In Motion. Horn eschews making market calls or short-term sector bets. Instead, he builds widely diversified portfolios. "We can't control whether markets are going to go up or down," he says. "We can control the cost, the liquidity, and, to a certain extent, the tax impact of the portfolio."

– R.S.

"Clients should turn off the financial media, not try to forecast, and build an asset-allocation and investment strategy designed to fit their life."

Total Assets	**$2.2 billion**
Typical Account	**$16 million**
Typical Net Worth	**$25 million**

ARKANSAS

Allen Homra, Edward Jones

THIRTY YEARS AGO, ALLEN HOMRA WAS WORKING for Edward Jones in Dallas when he was asked to serve as a rep for its office in Stuttgart, Ark., where an advisor had quit. After just four months there, Homra knew he would stay. He grew up hunting ducks, and the Stuttgart area is along a key migration route. He also found he was forging relationships with new clients, many of whom remain among his 800 households today. "I'm still holding the fort down," he says. In building his book, Homra won one longtime client by saying he could help save on taxes and persuading him to buy tax-free bonds. "You earn trust over time," he says. Today, his clients worry about market swings. "You have to manage client expectations and make sure time frames are longer," he says. For equities, Homra, 54, uses a mix of ETFs and mutual funds that provide dividends and rising income. He makes sure to be prepared for down years. "It's how you perform when the downturns hit [that counts]," he says.

– Charles Keenan

"If you aren't going to buy something for five or 10 years, I don't want you buying it for five or 10 days."

Total Assets	**$571 million**
Typical Account	**$700,000**
Typical Net Worth	**$800,000**

CALIFORNIA

Gregory Vaughan, Morgan Stanley PWM

GREGORY VAUGHAN, WITH MORGAN STANLEY IN Menlo Park, Calif., likes working with business professionals and company founders who are highly informed and have strong opinions about the economy, the world, and the markets. "It means that when you sit down with clients in a quarterly meeting, they have a perspective because they are running businesses day to day," says Vaughan, 61. He and his three partners have been together for nearly four decades, and part of what resonates with clients is their team approach. "You can't be all things to all people, so my partners and I have a team that has the ability to specialize," he says. He likes equities more than fixed income now, given a rising interest-rate environment. "Investors sometimes think bonds are safer than equities, but growing dividends to me is more interesting as an investment than cash flow from a bond. I'm willing to live with the equity risk rather than the interest-rate risk."

– C.W.M.

"Investors generally don't like volatility. You want to take advantage of volatility, as some assets get relatively cheaper and some more expensive."

Total Assets	**$21.5 billion**
Typical Account	**$75 million**
Typical Net Worth	**$150 million**

COLORADO

Shawn Fowler, Morgan Stanley PWM

SHAWN FOWLER, MANAGING DIRECTOR IN MORGAN Stanley Private Wealth Management's Denver office, has been telling clients that the recent equities corrections are long overdue. "It's a great time to be buying assets," says Fowler, 47. He sees opportunity in high-quality, dividend-growth equities, both U.S. and international, as well as municipal bonds and non-U.S. real estate. "In every market environment, there are times when you can buy certain asset classes and times when you can't," he says. At this point last year, muni bonds weren't compelling, "but with the rise in interest rates, that asset class is now trading at an attractive yield." Specifically, he's buying 4% A-rated tax-exempt munis. Many see U.S. real estate as fairly to fully valued, while non-U.S. property trades at a significant discount. The cash flows from non-U.S. rental properties are also more impressive, he says. "We're in a long-term global growth cycle. This growth has a long way to go, and clients' portfolios should reflect that," he says.

– C.W.M.

"People who are buying high-quality assets today are most likely going to be rewarded over the next 12 months for having made those purchases."

Total Assets	**$2.4 billion**
Typical Account	**$33 million**
Typical Net Worth	**$61 million**

CONNECTICUT

Jeff Erdmann, Merrill Lynch PBIG

JEFF ERDMANN, 55, KNOWS HOW TO MOTIVATE. Everyone on his Merrill Lynch team becomes an owner two years after getting hired, which has helped with retention. "If people have ownership and feel empowered, they're going to do a better job," he says. Innovation can boil down to small gestures: An administrative partner had Diet Coke cans made with clients' first names on them stored in the refrigerator for each time they visit. Erdmann also likes growing portfolios. He has a 65% allocation to stocks, about a third of it international. "If we look out over the next five years, my guess is you'll be rewarded for being in those different regions," he says. He wants clients to have 18 months in cash to maintain their lifestyle before having to sell anything. "Our goal for families is to compound out at a good, consistent rate of return," he says. "The first way you protect that is to make sure you don't have massive drawdowns when stocks and bonds get beaten up."

– C.K.

"The biggest risk to the market is that interest rates go up more than the market expects."

Total Assets	**$5.9 billion**
Typical Account	**$37 million**
Typical Net Worth	**$50 million**

D.C. (DISTRICT OF COLUMBIA)

Marvin McIntyre, Morgan Stanley PWM

FOR THE FIRST TIME IN A WHILE, IT'S MORE a stockpicker's than an ETF market. This is a "welcome opportunity," says Marvin McIntyre, 75, a Morgan Stanley Private Wealth Management advisor. "In straight-up markets, people tend to be better with ETFs," he says. In volatile markets, active managers can provide superior performance. For new stocks to buy, he's focused on domestic and international value-oriented companies that pay dividends. For income, he's staying away from anything too long term—more than three years. He likes floating-rate preferred stocks, rather than fixed bonds, to generate higher yield. "That gives us insulation against what seems like the inevitable rise of interest rates," he says. He isn't a hedge fund fan, believing that clients pay too much for "mediocre returns." But he likes private equity because "it doesn't correlate with the market, and if you have great managers who put their own money in—that has worked really well for us," he says.

– C.W.M.

"I love new clients and new relationships and trying to be unique—looking for opportunities that take us away from being commoditized."

Total Assets	**$3.2 billion**
Typical Account	**$6 million**
Typical Net Worth	**$25 million**

DELAWARE

Kimberlee Orth, Ameriprise Financial

A FEW YEARS BACK, KIMBERLEE ORTH LEFT HER Ameriprise advisory business behind for a solo 33-day trek in Spain, along a pilgrimage route to the cathedral of Santiago de Compostela. The trip gave her a chance to think big. "I decided this business is important enough to me that I want to grow it, so that as our clients age, they'll know there's a next generation of advisors that will be there," she says. Today, Orth, 54, has more than 850 clients, many of them business owners and executives. Orth wants clients to pursue their goals, and be secure along the way. She's currently overweighting health care, technology, financials, and international, while underweighting long-term bonds due to rising interest rates. But fixed income has its place: "You have to have some bonds in your portfolio because of the volatility we're starting to experience in equities," she says. Still, when it comes to adventure, she'll stick to travel: She has since hiked the pilgrimage two more times and is planning a fourth.

– C.K.

"I don't like too much risk. But we like to take as much risk [as necessary] to get you to the goal you said is important to you."

Total Assets	**$2.2 billion**
Typical Account	**$4.7 million**
Typical Net Worth	**$12 million**

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

FLORIDA

Thomas Moran, Wells Fargo Advisors

THOMAS MORAN, 61, ENTERED 2018 WITH CAUTIOUS optimism, which recent selloffs haven't shaken. "We felt some type of market correction was probably due this time this year," says Moran, who works for Wells Fargo Advisors in Naples. "We make sure people are comfortable with that level of volatility, but still believe we'll be higher by the end of the year." Inflation shouldn't pose a threat to equities until it breaches 3.5%, which is unlikely to happen for some time, he says. Meanwhile, the new tax law boosts prospects for earnings, accelerates depreciation, and repatriates overseas cash. Moran says blue-chip dividend stocks remain the best-valued asset class. His team of 25 is still overweight equities. "We think quality stocks are starting to show significant outperformance," he says. After years of being underweight internationally, he is boosting allocations to developed and emerging market equities. His practice is a family affair: His team includes his daughter and the son of his partner Robert Edwards. – *R.S.*

"A mild increase in rates, a mild increase in inflation, doesn't concern us because equities typically do well with significantly higher interest rates and inflation."

Total Assets	**$4 billion**
Typical Account	**$5 million**
Typical Net Worth	**$25 million**

GEORGIA

Rod Westmoreland, Merrill Lynch PBIG

ROD WESTMORELAND SERVED IN THE U.S. NAVY IN the 1970s as a 22-year-old supply corps officer on a destroyer, supervising 90 sailors. "You can't fire them, they can't fire you, and you have to find a way for people to work together," he says. Westmoreland relied on four experienced officers. "It was really about finding mentors," he says. He continues to emphasize mentorship, as well as family, at his practice. He counsels and empowers his staff; any individual can veto a potential hire, a policy that in part stems from a bad hire 25 years ago. "A couple of people said, 'I could have told you it wouldn't work out,' " he says. "I said, 'From now on, let's talk about this.' " The team approach helps his practice stay focused on customers. Westmoreland, 65, urges clients to have an allocation to private equity. He also likes emerging and overseas developed markets. "If you can make inflation plus five, most clients are happy with that," he says. – *C.K.*

"If you are trying to make a 7% type of return today, you can't find that in investment-grade fixed income."

Total Assets	**$2.4 billion**
Typical Account	**$30 million**
Typical Net Worth	**$50 million**

HAWAII

Alan Kodama, Ameriprise Financial

ALAN KODAMA DESCRIBES HIMSELF AS "NATURALLY energized," shunning caffeine. He loves the outdoors, tending to his home aquaponic garden. At harvest time, he brings watercress, green onions, and romaine lettuce to the office for clients. "They love it," he says. His clients, some 1,300 strong, also appreciate his conservative approach; most of them are either near retirement or retired. Kodama, 53, uses a basket of mutual funds based on client risk tolerance. He believes bonds have grown riskier, and he has been reducing exposure as interest rates rise. Recently, he has emphasized funds with maturities of about a year, down from three. "We are going into a pre-inflationary period," he says. "Some of the bonds are getting very shaky." In his 31st year of advising, he has seen all sorts of markets. "You still have to put in the hours," he advises his younger colleagues, "but if you do things for the right reason and you have a passion, things will fall into place." He adds: "Give more than you take." – *C.K.*

"You don't come to work every day and get paid, you have to earn it."

Total Assets	**$344 million**
Typical Account	**$250,000**
Typical Net Worth	**$1.6 million**

IDAHO

Sandra Dalton, UBS Financial Services

A BRUSH WITH SEXISM EARLY IN SANDRA DALTON'S advisory career gave her extra resolve to advance to the top of the profession. A fellow advisor whom she admired told her his assistant had left and asked Dalton to take the job. "That really shocked me and made me feel terrible—that he didn't see me making it as a stand-alone financial advisor," she recalls. "I was pretty devastated, but it served as an inspiration for me for many years." Dalton, 60, now leads a Boise-based team of six. They are "big believers" in the U.S. economy and view the recent tax law as a net positive. She says interest rates will rise, but at a slow pace, and she isn't overly concerned about inflation. Dalton likes stock sectors that are leveraged to strong domestic growth, including technology, financials, industrials, basic materials, and consumer discretionary. She says she's more careful with fixed-income because of rising rates, so she's choosing high-quality debt with lower duration. – *R.S.*

"Investing in the stock market is somewhat like being on an airplane where you know you'll have turbulence but you don't bail out, and the turbulence settles down and you eventually reach your destination."

Total Assets	**$472 million**
Typical Account	**$3 million**
Typical Net Worth	**$10 million**

ILLINOIS

Steven Hefter, Wells Fargo Advisors

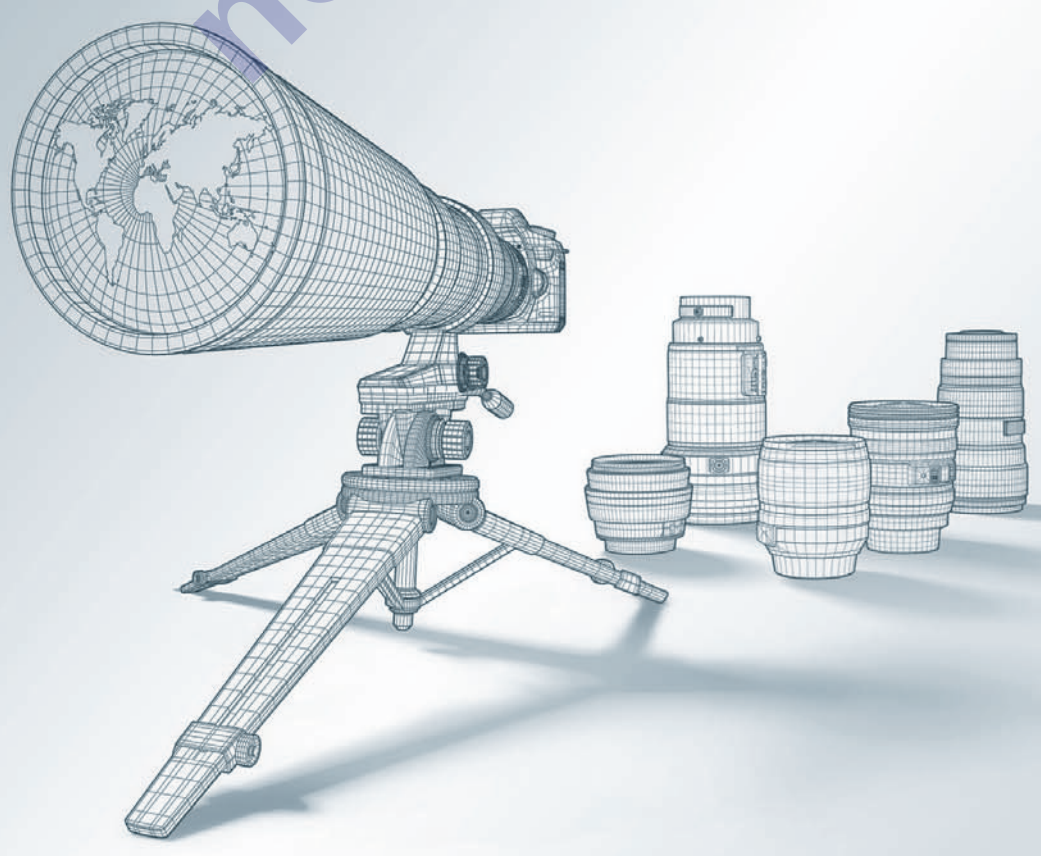
STEVEN HEFTER IS LOOKING OVERSEAS FOR BETTER returns. Hefter, 63, says the dollar appears to have entered a multiyear downward phase, meaning that foreign bonds denominated in other currencies will gain value as those currencies appreciate against the greenback. At the same time, says the Highland Park–based advisor, foreign stocks have lower price/earnings ratios than their U.S. counterparts. "The growth rates in Europe are accelerating, and you also have lower interest rates," Hefter says. He's keeping a close eye on 10-year U.S. Treasury yields, which are approaching 3%. "If they get up to 3.25% we would say, 'This bull market has some signs of trouble.' " In addition to guiding clients, Hefter learns a lot from them. One philanthropic couple, part owners of a major-league sports team, helped him see "there's so much more to life and this business than earning money. The bigger thrill is giving it away." – *R.S.*

"The safe element that people had for the past few years, which was bonds, is no longer a safe place. We're looking for other areas to put money that we don't want in equities."

Total Assets	**$5.5 billion**
Typical Account	**$15 million**
Typical Net Worth	**$20 million**

For personal, non-commercial use only.

YOUR LENS DETERMINES YOUR PERSPECTIVE
BROADEN YOUR EXPOSURE



Invest for income without unwanted risk.

The search for yield appears to have pushed many investors into income options that may be creating high concentrations of unintended risk exposure in their portfolios.

Our proprietary database of thousands of client portfolios shows that most income portfolios focus on only one or two high income generators. Indeed, since the Global Financial Crisis, assets have quadrupled in the top 10 highest yielding Morningstar® categories. Income doesn't come for free, and too narrow of a focus can lead to broader portfolio risks.

Widen your focus to solutions that drive income and help you manage risk exposure. Janus Henderson has the experts to help you develop better portfolios.

- Global Equity Income Fund (HFQIX)
- Strategic Income Fund (HFAIX)
- Global Income Managed Volatility Fund (JGDIX)

To learn more about our insights, visit blog.janushenderson.com

Janus Henderson
—KNOWLEDGE. SHARED—

Please consider the charges, risks, expenses and investment objectives carefully before investing. For a prospectus or, if available, a summary prospectus containing this and other information, please call Janus Henderson at 800.668.0434 or download the file from janushenderson.com/info. Read it carefully before you invest or send money.

Investing involves risk, including the possible loss of principal and fluctuation of value. Fixed income securities are subject to interest rate, inflation, credit and default risk. As interest rates rise, bond prices usually fall, and vice versa. High-yield bonds, or "junk" bonds, involve a greater risk of default and price volatility.

Foreign securities, including sovereign debt, are subject to currency fluctuations, political and economic uncertainty, increased volatility and lower liquidity, all of which are magnified in emerging markets.

© 2017 Morningstar, Inc. All Rights Reserved.

Janus Henderson is a trademark of Janus Henderson Investors. © Janus Henderson Investors. The name Janus Henderson Investors includes HGI Group Limited, Henderson Global Investors (Brand Management) Sarl and Janus International Holding LLC. Janus Henderson Distributors. C-0917-12312 09-15-18

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

INDIANA

William Craig Dobbs, Graystone Consulting

WILLIAM CRAIG DOBBS, 54, IS TRYING TO MANAGE expectations for clients who may assume 2018 will be another straight-up year like 2017, which, he says, "was a very unusual year with the markets." Dobbs runs the $24 billion Dobbs Group, an affiliate of Morgan Stanley's Graystone Consulting, advising retirement plans, endowments, and foundations. Equity markets saw higher-than-expected returns last year and price/earnings ratios were at the top end of their averages. "We went a whole year without volatility," he says. "Now we have a lot of volatility." To find pockets of return, he's looking outside U.S. large-cap stocks. He points to small-cap international stocks, which he believes are undervalued relative to historical prices, and microcap stocks, which are "almost like owning private equity, but you have liquidity." And he favors direct lending; its stable valuations mean "you don't get the big fluctuations of the market, and yields are 2% to 2.5% higher than traditional bonds," he says.

– *C.W.M.*

"It might not necessarily be where you invest your money; it might be where you don't invest your money that's going to drive returns."

Total Assets	**$24.3 billion**
Typical Account	**$222 million**
Typical Net Worth	**$177 million**

IOWA

Matt Fryar, Wells Fargo Advisors

FOR MATT FRYAR, 43, IT CAN BE MORE CHALLENGING to manage clients' expectations in roaring bull markets than in down ones. "When we get to markets like we've had, complacency sets in for clients," says the Des Moines–based Wells Fargo advisor. "Clients start to think that this is just automatic and these types of returns are expected." Fryar's diversified portfolios, consisting of stocks, bonds, alternatives, real estate, and cash, can trail a strong market in stocks. "So the tendency is for clients to then say, 'Gosh, should we be taking more risk?' when in reality we should probably be taking less risk," he says. Right now, Fryar sees the potential for rising inflation and interest rates, as well as uncertainty over earnings, a mix that could pressure both stock and bond markets. "I don't see anything like what we saw in 2008 or 2009," he says. "We just have a number of things that will set things up for volatility."

– *R.S.*

"The biggest mistakes that people make aren't necessarily with investment decisions; they're with emotional decisions: making the wrong decision at the wrong time."

Total Assets	**$700 million**
Typical Account	**$5 million**
Typical Net Worth	**$7 million**

KANSAS

Scott Ferguson, Morgan Stanley WM

SCOTT FERGUSON, 57, BELIEVES THE BULL STILL has legs. "We have at least two to three years left in this long-running bull market," he declares. As a result, he's overweight U.S. growth stocks. He likes emerging market stocks too, and favors a heavy exposure to China. He isn't as enamored with European stocks, despite the fact that many look like bargains right now. "They're cheaper for a reason," he says. While he's bullish on stocks, he has recently reduced the duration of his clients' fixed-income holdings to less than five years, from seven or eight years. "Everyone's been calling for rising interest rates for years and years…Here it is, eight years later, and it's finally taking hold." He thinks ETFs will lose their allure as active managers outperform. "Winners and losers are going to start differentiating in performance. It will be a stockpicker's market," Ferguson predicts. "Over the next several years, active management will seriously outperform passive management."

– *C.W.M.*

"At some point, the Federal Reserve will get too tight and end the party. That's when I'll stop being bullish."

Total Assets	**$711 million**
Typical Account	**$5 million**
Typical Net Worth	**$7 million**

KENTUCKY

Barry Barlow, Merrill Lynch WM

BARRY BARLOW, 62, LIKES INVESTING HIS CLIENTS' money in individual stocks, which he tries to buy at a 35% discount to their estimated private-market values. He keeps a watch list and waits for catalysts, such as executive changes or negative announcements, to depress share prices before moving. And he seeks underfollowed companies with profit growth and solid balance sheets. Investing in individual stocks gives him the flexibility to serve his clients, who span some 200 families, some of which have bootstrapped themselves to affluence. "It's a way to help clients control taxes and be more efficient," he says. "When [a stock] gets in our buy range, we're in there." His portfolio today contains some 40 stocks, up from 25 just a year ago, with broad exposure to the U.S. plus some foreign names. "The environment in the years ahead may be very different from our experience in the past," says Barlow. "Investors will have to be sharper."

– *C.K.*

"Enduring volatility is the price we pay for the periods of return that stocks offer."

Total Assets	**$707 million**
Typical Account	**$4 million**
Typical Net Worth	**$7.5 million**

LOUISIANA

Rick Frayard, UBS Financial Services

DURING THE EARLY '80S OIL GLUT, RICK FRAYARD'S oil-services business was near bankruptcy. "I woke up one morning in August 1982, turned on the TV, and they were discussing how interest rates were coming down and there was a new bull market," he says. "So I told my wife, 'I'm going to look into what it takes to become a stockbroker.' " Today Frayard, 65, and his team manage $2.38 billion. He hasn't fielded many calls about volatility lately because he's coached clients to stay focused on their long-range goals. He expects modest market growth this year, but he's keeping bond maturities at less than 4.3 years, on average. Given a global recovery, he likes international and emerging market stocks and the financial and energy sectors, though he's avoiding utilities as interest rates rise. Being part of a big bank has its benefits. Recently, a client needed help on a contract with a foreign company. "Through UBS, we were able to help him coordinate the whole thing," Frayard says.

– *R.S.*

"Short-term traders—who don't have any type of plan or are just looking to try to make the quick kill—aren't our type of client."

Total Assets	**$2.4 billion**
Typical Account	**$2.1 million**
Typical Net Worth	**$3 million**

MAINE

Todd Doolan, Morgan Stanley WM

OVER THE PAST FEW YEARS, TODD DOOLAN, 54, a financial advisor with Morgan Stanley Wealth Management, has brought in younger clients who have inherited wealth; now he's attracting young professionals. "These are young, interesting, successful people in their 40s and sometimes 30s," he says. "It used to be all my clients were older than I was." Younger clients are often more interested in the details of investing, and he spends time guiding them through the process. He is currently rebalancing portfolios with more of a tilt toward international large-cap stocks. "I think we're at the beginning of a long stretch where international will outperform the U.S.," he says. Domestic small- and mid-cap stocks have not done as well as large-cap growth over the last year, but Doolan thinks that could change. "Those companies—because they are domestically focused by and large, as opposed to huge multinational companies—should be big beneficiaries of corporate-tax reform."

– *C.W.M.*

"Politics are always on clients' minds, and they want to connect politics to what's going on in the financial markets. We spend a lot of time disconnecting politics from portfolios."

Total Assets	**$420 million**
Typical Account	**$2 million**
Typical Net Worth	**$2.9 million**

MARYLAND

Robert Scherer, Graystone Consulting

ROBERT SCHERER'S PRACTICE IS A LITTLE DIFFERent than the typical Top 1,200 advisory, in that he primarily serves institutional clients. In addition to retirement plans, foundations, and endowments, Scherer, 66, works with wealthy individuals. His portfolios favor equities over bonds, and both passive and active strategies. On the active side, Scherer, a former tax accountant, allocates to absolute value, hedged equity, quantitative, and global macro strategies, which "have lower correlations to equity and bond markets and can provide much-needed diversification in challenging times." Scherer, in fact, thinks this is among the most challenging periods of his career, not just because of high equity valuations, but because he is working to lower risk and protect against rising interest rates. "People need to pay more attention to risk," he says. Still, he says, "This is an amazingly gratifying profession. I don't know if I'll ever retire."

– *Ellen Chang*

"Historically, the best and simplest hedge against stock market declines has been high-quality bonds. Today the raw effectiveness of that hedge is challenged by low yields."

Total Assets	**$8.3 billion**
Typical Account	**$25 million**
Typical Net Worth	**$25 million**

MASSACHUSETTS

Greg Miller, Wellesley Asset Mgmt

WHILE MANY INVESTORS FIND THEIR SLEEP disturbed by thoughts of volatility, Greg Miller, 68, rests easier when volatility is highest. His investment practice focuses heavily on convertible bonds, which thrive in volatile markets. Each convertible bond has a call option to convert it to the underlying stock if prices rise. And they also have an embedded put option, which allows redemption of the bonds at par before maturity if prices fall. Convertibles are one of the few fixed-income products to thrive in a period of rising interest rates and falling stocks. "Convertibles do well in bear markets, and the time they need to recover from bear markets is generally shorter than what equity indexes need," he says. Miller believes we're overdue for market trouble, given that we've have had at least one bear market and sometimes two or three every decade since 1896. "This is one of the longest bull markets in American history," he says. "It's a time for investors and advisors to be very cautious."

–*C.W.M.*

"The most important thing in this market is for investors to allocate their portfolios to prepare for the next bear market."

Total Assets	**$2.7 billion**
Typical Account	**$2 million**
Typical Net Worth	**$5 million**

MICHIGAN

Charles Zhang, Zhang Financial

CHARLES ZHANG, 50, CAN REEL OFF PERCENTAGES the market lost in past downturns, then recovered in the next five years. He employs this skill to convince clients not to rush to sell and derail their long-term goals. "I think people started getting used to the market always going up, and not having even a minor correction," he says. "We deliver the message that the correction is very normal and they need to get used to it." Zhang expects stocks to close higher this year, though with greater volatility, and to outperform bonds over the next five years. He is overweighting emerging markets, small-cap versus large-cap, and value versus growth stocks. "I would be careful on long-term bonds," he says. "I would encourage people to be prepared for inflation coming back." Zhang doesn't see rising rates as a problem for stocks until the 10-year Treasury yield breaches 5%. So for now, he urges clients to take the longer view.

– *R.S.*

"I told clients, 'Don't focus on your investment statement day to day. If you have time, I'd rather you learn some tai chi or yoga. Do something more beneficial.' "

Total Assets	**$3.3 billion**
Typical Account	**$2 million**
Typical Net Worth	**$3 million**

MINNESOTA

Richard S. Brown, JNBA Financial Advisors

RICHARD BROWN, 56, REMEMBERS BRINGING HOME three-ring binders with client information and crunching numbers on a calculator. With better technology, he still reviews each client's portfolio every 10 business days—not necessarily to trade, but to look at asset classes, percentages, and how allocations may have changed. "Ten days is a good snapshot, with the understanding that the flexibility is there to make adjustments," he says. He and the firm's investment committee see opportunities in emerging markets and nontraditional fixed income to help clients diversify. He's also focused on building up the family-office business, which grew substantially in 2017. For these ultrawealthy clients, he's looking at laddering alternative investments alongside more traditional portfolios. Athletes, in particular, require special care: "They have a shorter career. Having the right portfolio is especially important for them to be able to continue the lifestyle they've become accustomed to."

– *C.W.M.*

"The recent market volatility doesn't come as a surprise. The lack of volatility in 2017 was probably more shocking to us."

Total Assets	**$1.4 billion**
Typical Account	**$1.5 million**
Typical Net Worth	**$2 million**

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

MISSISSIPPI

Michael Dowell, Morgan Stanley WM

MICHAEL DOWELL, 67, PRIDES HIMSELF ON NEVER having had to fire a client in his four decades-plus as an advisor. Many advisors routinely part ways with some clients when they prove to be a bad match. Dowell avoids it by making absolutely certain of a good match. Before formalizing relationships, Dowell meets as many as seven times with prospective clients, assessing their appetites for risk and building an investing road map. Every client is different, he says, and it's his job to "figure out how much risk they want to take so they can sleep at night." This consistency of approach has paid dividends in our rankings: Dowell is one of only two advisors to place first in their states in every one of the Barron's Top 1,200 Financial Advisors since the list started in 2009. Right now, he says, his clients are keeping their perspective and sticking with their plans. "Our clients are not worried about hitting it out of the park or about interest rates going up," he says.

– *E.C.*

"I really like to solve problems, and numbers," Dowell said. "If you love your work, you never have to go to work."

Total Assets	**$1.5 billion**
Typical Account	**$4.5 million**
Typical Net Worth	**$5 million**

MISSOURI

Michael Jefferies, UBS Financial Services

MICHAEL JEFFERIES WORKS TO KEEP HIS CLIENTS balanced financially and emotionally. The impact of the new tax law is on the minds of many of them, he says. "The market is like politics," Jefferies adds, "which is noisy. That's the way it has been forever." Understanding risk is critical in today's environment, he maintains, in order that clients avoid getting "emotionally too high or too low." Half of Jefferies' clients are companies with retirement plans. The rest of them are individuals, ranging in age from millennials to baby boomers, many of whom have rolled over their 401(k)s to UBS from previous employers. Jefferies does not shift his strategy frequently, though he's currently weighted more toward emerging market growth stocks. "As the market fluctuates, I try to keep clients from being too aggressive or too conservative," he says. "That's where you can get into trouble."

– *E.C.*

"People are definitely living longer and will need to take that into consideration. They must update their financial plan when situations change."

Total Assets	**$3.9 billion**
Typical Account	**$1 million**
Typical Net Worth	**$3 million**

MONTANA

James B. Stack, Stack Financial Mgmt

JAMES STACK IS KNOWN FOR BEING RISK-AVERSE. "If this is a mature bull market, there's a potential for significant losses again," he says. "And in managing risk for our clients, we believe the best offense today is having the best defense." Being defensive requires knowing which sectors are most vulnerable. Those "dangerous sectors," says Stack, 66, include consumer-discretionary stocks and financials—particularly financial stocks sensitive to rising interest rates. "We're focusing our clients' assets in more defensive sectors like consumer staples, utilities, and health care, with the exception of health-care providers," he says. In addition, as the Federal Reserve normalizes interest rates, he's taking advantage of higher yields by increasing the cash portion of his clients' portfolios to 28%. He's making these tweaks amid developing wage-inflation pressures that could cause the Fed to accelerate rate hikes. "The Fed will play a vital role in the outcome of the bull market and when it ends," he says.

– *C.W.M.*

"We're seeing the characteristics of a late-stage bull market, including lofty valuations, extremes in optimism and rising speculation, which would include cryptocurrencies."

Total Assets	**$1.2 billion**
Typical Account	**$1.6 million**
Typical Net Worth	**$5 million**

NEBRASKA

Jonathan Beukelman, UBS Financial Services

JONATHAN BEUKELMAN DOESN'T MIND GOING THE extra mile. One new client admitted he didn't know how many stocks he owned. Beukelman and a colleague stayed up until 2 a.m. searching file cabinets and a safe. "We found 1,000 stock certificates, and assets of $60 million," he says. Today, Beukelman, 42, is talking to clients a lot. After the February correction, about 70% felt comfortable but—recalling 2008—cautious about taking on more risk. The rest were more upbeat and aggressive. The global economy looks good, he says, which is a positive backdrop for equities, though he sees U.S. stocks as fully valued or even pricey, and there are geopolitical concerns. Expecting interest rates to rise, he's investing more in floating-rate bonds and has shortened duration on fixed-rate holdings. And he has a healthy weighting in developed and emerging market stocks. "On a valuation basis, we think those markets tend to be less expensive," he says.

– *R.S.*

"If I can help a family think through how they deal with money, what their process is around educating the younger ones, that's where we get the biggest kick."

Total Assets	**$1.4 billion**
Typical Account	**$4 million**
Typical Net Worth	**$20 million**

NEVADA

Randy Garcia, The Investment Counsel

IN ROCKY MARKETS, SOME INVESTORS GET JITTERY. Randy Garcia, 64, the CEO of The Investment Counsel, stresses how he incorporates defensive assets designed to cushion a market decline, and offensive assets to grow wealth faster in good times. "Many new clients have portfolios that aren't constructed with that safeguard in mind," he says. "They're diversified inefficiently—they're taking too much risk for too little reward." Garcia works to find the right balance: "If you can do that effectively, then you have a sustainable, successful plan." He stresses to new clients that stocks have historically advanced two-thirds of the time and declined just a third. He tells locals that they'll have "far better odds of growing wealth than casino owners enjoy," then asks whether they know any poor casino owners. "I don't. I've lived in Las Vegas for over 60 years, and casino owners I've worked with have been some of the wealthiest families in our community," he says. Point made.

– *C.W.M.*

"Advisors need to anticipate clients' emotional reactions. Therefore, we are striving to build portfolios that have margins of safety."

Total Assets	**$992 million**
Typical Account	**$4 million**
Typical Net Worth	**$10 million**

RANKED 5TH-BEST COMPANY TO WORK FOR BY FORTUNE MAGAZINE.

THE MORE YOU KNOW, THE MORE WE MAKE SENSE.

We don't just take care of our 7 million clients. We take care of our own. It's why we've been ranked #1 by wealthmanagement.com 20 times. And why our financial advisors are so robustly supported by our home office staff of 6,000. Well-served associates equal well-served clients. Maybe it's time you got to know Edward Jones.

Visit edwardjones.com/knowmore

From FORTUNE, February 15, 2018. © 2018 Time Inc. Used under license. FORTUNE and Time Inc. are not affiliated with, and do not endorse products or services of, Edward Jones.

Member SIPC

Edward Jones®

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

NEW HAMPSHIRE

John Habig, Morgan Stanley WM

DURING THE RECENT MARKET PULLBACK, JOHN Habig says he only received half-a-dozen calls from clients as volatility reemerged. This comes as no surprise to the veteran advisor, 65, who had already reduced exposure for many investors and shifted them into European and Asian stocks, to a total of 15% to 20% of their portfolios. "This correction was a surprise to no one," he says, and he's careful not to overreact. "We don't want to judge a short-term event and change gears and objectives because of a customary pullback in the market," he says. In fact, Morgan Stanley analysts have predicted robust economic growth in the U.S., and the potential for a number of rate hikes, for at least the next 12 months. Habig favors companies with predictable revenue and earnings to minimize any surprises. Lately, he has overweighted technology, industrial, financial, and defense. "We lean heavily on high quality, high-dividend, blue-chip stocks," he says. *– E.C.*

"I tell clients that I'm only going to be right 80% to 85% of the time. If I could find a computer program or manager that was right 100%, I would be on a beach right now."

Total Assets	**$385 million**
Typical Account	**$1.5 million**
Typical Net Worth	**$3 million**

NEW JERSEY

Gary Tantleff, UBS Financial Services

GARY TANTLEFF, 53, FOCUSES ON FIXED INCOME for clients that are primarily municipalities, banks, credit unions, and school districts. His investing philosophy, which he has practiced for 32 years, is not "flashy" because his clients—both midmarket private wealth and institutional—are risk-averse and mostly concerned with preservation of principal. His client portfolios are filled with government agencies' paper, investment-grade corporate bonds, municipal bonds and mortgage-backed securities. "It's not jazzy, but I know my customers," he says. Tantleff keeps a close eye on the Federal Reserve, particularly as it raises interest rates and inflation strengthens. "Things change so quickly in this environment," he says. "We haven't seen short-term rates at this level for almost a decade." His strategy: help clients lock in higher yields, while focusing on duration and liquidity needs. In the end, he says, dealing with clients resembles how he deals with his four sons: a balance of guidance and perspective. *– E.C.*

"The market is getting more exciting. The question is whether this momentum is going to continue and if there is a flight to quality and what is attractive."

Total Assets	**$4.4 billion**
Typical Account	**$9.4 million**
Typical Net Worth	**$10 million**

NEW MEXICO

John Moore, J. Moore/Raymond James

WHEN JOHN MOORE, 68, WAS IN THE U.S. AIR FORCE in the late 1970s, he was stationed in Myrtle Beach, S.C., and he would take friends in his sailboat for cruises in the Atlantic. Some of his passengers reacted nervously at the waves. Moore found that reminding them to look at the horizon, not the boat, calmed them down. That's a message he's been sharing with clients at his firm, which is affiliated with Raymond James, for the past year as he prepares them for the return of market volatility: "We've been telling them to keep their seat belts tight, that volatility is normal, and it's a good thing because it indicates a return to normalcy." He also notes it's been 10 years since the financial crisis, the kind of massive stock-market debacle that is unlikely to reoccur soon. "A 10%-to-15% correction every 12 to 18 months is normal. That's what history teaches us," he says. "Volatility is uncomfortable, but it's that volatility that creates opportunity for extra returns in the market." *– C.W.M.*

"Ultimately, investors pay for earnings, and the market now is focused on earnings. As long as earnings continue strong, the markets should respond favorably."

Total Assets	**$513 million**
Typical Account	**$1.5 million**
Typical Net Worth	**$3 million**

NEW YORK

Lyon Polk, Morgan Stanley PWM

LYON POLK, 56, HAS SEEN MORE NEW-CLIENT ASSETS walk in the door than at any time in the past two decades. He attributes this to his group's family-office approach, which features a wide range of personal services beyond just investing. Still, investments are his core offering. During the past few years, he has been overweighting portfolios with European, Japanese, and emerging market stocks, which he believes will outperform U.S. stocks. Polk's allocation for a moderate portfolio consists of 45% to 50% equities, 20% to 30% fixed income, 10% to 15% hedge funds. The rest resides in private credit, private real assets, and private equity. Anticipating more Federal Reserve interest-rate hikes, he has been boosting hedge fund allocations. In equities, growth stocks have been outperforming value stocks, but he feels there will be a reversion shortly. His overall view of the economy is positive. "Our view is that consumers and banks are not overlevered, like in the last recession," he says. *– E.C.*

"Millennials want more than just personal wealth—they want an impact on society. Our goal is to help them leverage their wealth in innovative ways."

Total Assets	**$10.6 billion**
Typical Account	**$50 million**
Typical Net Worth	**$100 million**

NORTH CAROLINA

William Oliver, Wells Fargo Advisors

WILLIAM OLIVER SAYS EARLY FEBRUARY'S MARKET correction was overdue and doesn't mean the market's bull run is over. Oliver, 50, remains upbeat on the U.S. economy, citing strong company earnings, still-low interest rates, and low unemployment. "Interest rates are starting to tick up, but I don't know that that's necessarily a bad thing unless they go up too quickly," he says. Oliver likes overseas stocks, particularly those in developed markets. "They seem to be coming back over the past 12 months," he says. He's also bullish on master limited partnerships, as the price of crude oil recovers from its plunge of 2015 and early 2016. "Those companies have been delevering and shoring up their balance sheets," he says. "They pay a great dividend." Oliver supports multiple local charities, including the Urban Ministry Center, an interfaith organization that helps the homeless, and Charlotte Rescue Mission, which assists people with addictions. *– R.S.*

"We have a lot of very sophisticated clients, but sophistication doesn't equal success in investing without the correct emotional component."

Total Assets	**$1.2 billion**
Typical Account	**$10 million**
Typical Net Worth	**$20 million**

NORTH DAKOTA

Troy Nelson, Edward Jones

TROY NELSON CALLED ON 3,000 HOUSEHOLDS AND businesses after starting as an advisor in 1998. His pitch included recommending that clients get a second opinion on their financial situations. With much of the advisory world transaction-based, his goal-focused, financial-planning approach proved appealing. In seven years, he built the biggest unit under the Edward Jones umbrella. Before the recent volatility, clients asked about getting more aggressive; now, they wonder about being more conservative. His answer remains the same: Stay on track, unless something has fundamentally changed in your risk tolerance, time frame, or goals. Three years ago, Nelson, 43, nudged clients to move into international—and particularly emerging markets, which had suffered big losses. Clients were skittish. "This is what buying low feels like," he told them. "If it felt good, everyone would do it." Outsize returns came last year. "I tend to be early to the party, but early is better than late," he says. *– C.K.*

"Prices are high for almost all asset classes. Years and years of low interest rates have driven those prices higher."

Total Assets	**$586 million**
Typical Account	**$1.4 million**
Typical Net Worth	**$3.6 million**

OHIO

Valerie Newell, RiverPoint Capital Mgmt

FEARS OF INFLATION ARE CLEARLY CAUSING SOME volatility, and because of that, "we are being very careful in investing our new clients' money," says Valerie Newell, 65, chairman and managing director at RiverPoint Capital Management. "We want to capitalize on industries and sectors that can benefit from what we would call good inflation—some inflation, but not a lot of inflation." One of these sectors she's paying close attention to is financial services; companies like banks tend to do better in an inflationary environment. Another sector is technology, specifically in the areas of artificial intelligence, autonomous driving, and the cloud ecosystem—because they have products that help drive productivity gains. The fact that investors are showing some concern about inflation is actually a good sign, she says. "When everybody is euphoric about the market and nobody is worried, that is usually the sign of a market top." *– C.W.M.*

"Short-term blips and volatility can have nothing to do with the fundamental value of a company. In the long term, the market assigns value to long-term successful companies."

Total Assets	**$2.6 billion**
Typical Account	**$3.5 million**
Typical Net Worth	**$7.5 million**

OKLAHOMA

Matthew Monger, Merrill Lynch WM

A MILLIONAIRE ASKED MATTHEW MONGER, THEN 7, what he wanted to be when he grew up. His answer: "a millionaire." He bought his first stock at 11, and by 26 had made his first million, partly from jobs such as mowing lawns. But he did have another source of income: playing linebacker in the National Football League from 1985 to 1990. During that time, he began helping other players with finances, then interviewed with Merrill Lynch, telling them, "I'll outwork anyone you have ever seen," and giving the firm 48 hours to make a decision. He was hired. Today, Monger, 56, wakes up at 2:15 a.m., hits the gym by 2:30, showers by 4, and is working by 5. "If you really have a desire to serve other people, what's worse than work?" he says. He likes picking stocks that match a client's risk profile. In fixed income, he uses bonds and exchange-traded funds with shorter durations. "Advice isn't dependent on market conditions," he says. "It's based on always understanding the client's risk tolerance." *– C.K.*

"Being emotional is not conducive to good long-term results."

Total Assets	**$727 million**
Typical Account	**$4 million**
Typical Net Worth	**$5 million**

OREGON

Judith McGee, Raymond James

JUDITH McGEE, 75, VIEWS THE PROVISIONS OF THE new federal tax bill as an opportunity to take a broader look at her clients' financial lives. "We take a deeper dive to help clients coordinate their investment planning with tax planning," she says. With a number of federal deductions eliminated, effective tax management is particularly important, especially in states like Oregon that have a state income tax. At McGee Wealth Management (a Raymond James affiliate), McGee has been helping clients navigate strategies to reduce tax liabilities, such as tax-free municipal bonds and charitable giving. For business owners, she's discussing deferred compensation and ways to spread business income among family members to reduce individual liabilities. She also helps clients devise philanthropic strategies that maximize write-off potential. "Clients need to take a more in-depth look at their investment decisions based on taxes and other considerations," she says. *– C.W.M.*

"When the news or the markets make you nervous, don't take the media as your only resource. Pick up the phone and call your advisor and ask questions."

Total Assets	**$540 million**
Typical Account	**$1 million**
Typical Net Worth	**$3 million**

PENNSYLVANIA

Peter Rohr, Merrill Lynch PBIG

PETER ROHR GAVE UP LACROSSE A FEW YEARS ago after breaking some ribs and puncturing a lung. He bought ice skates and taught himself how to skate. Now, he plays ice hockey twice a week at 5:30 a.m. "To be back in a team sport again, it's my favorite place to be," says Rohr, 54. His advisory team at Merrill Lynch has scored some $4 billion in assets among 87 households, an ultrahigh-net-worth group. Rohr focuses on controlling three things: fees, taxes, and risk. That leads him to 100% passive investing, with an active twist. Rather than put his clients' money into the large index funds, he spreads assets among sector exchange-traded funds, which help minimize large-fund capitalization risk and hedge against bigger losses that may hit indexes with a high big-cap stock concentration. "With these ETF building blocks, I don't look like the S&P," he says. He also likes overseas stocks, noting that "some of these markets are in the earlier innings of the game." *– C.K.*

"When the market corrects, it's the big stocks that have been winners that get hurt the most."

Total Assets	**$4 billion**
Typical Account	**$32 million**
Typical Net Worth	**$100 million**

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

RHODE ISLAND

Malcolm Makin, Raymond James

CLIENTS HAVE GROWN MORE SOPHISTICATED ABOUT investing, says Malcolm Makin, 73, Barron's No.1 advisor in Rhode Island every year since our survey began in 2009. "I remember in 1987, when we had our first real market correction since I'd been in business, and it was pretty violent," he says. He recalls staying at the Copley Square Hotel in Boston, walking past the bar around 5 p.m. and seeing the distraught looks. "They were just blown away," he says. For days afterward, clients called him thinking they were going to lose everything. Now things are different. For the past year, he has been prepping clients about a correction and getting them to understand that volatility is normal and that a market dip represents buying opportunities. He likes defense, infrastructure, and technology companies, and he sees value in some international companies. Clients, he says, recognize that market declines aren't "the beginning of the end. They see it as: 'This isn't a whole lot of fun, but I'm going to be OK.'" – *C.W.M.*

"Most advisors are working very hard to help educate their clients, so that when markets correct, the clients are able to deal with that."

Total Assets	**$1.2 billion**
Typical Account	**$1.5 million**
Typical Net Worth	**$3 million**

SOUTH CAROLINA

Cheryl Holland, Abacus Planning Group

CHERYL HOLLAND, 59, HAS NOTICED THAT CLIENTS expect more frequent communications in mediums they can easily understand, favoring short videos, social media, and visual presentations over newsletters. "You can't just use the written word to communicate anymore," she says. "A big change is thinking of ourselves as a communications and investment organization." One subject she continues to communicate about is diversification. In July, she began trimming exposure to large-cap U.S. equities to take profits and hedge against a correction. She's bullish on emerging markets because she likes their long-term prospects. "The economies are growing, and demographic and productivity trends tend to be positive," she says. REITs are on her watchlist. They had a good run with interest rates low, but as rates rise they could look less attractive—or they could, as they have historically, serve as an inflation hedge. "Sometimes, things don't turn out the way we think. That's why we diversify," she says. – *C.W.M.*

"People behave like a herd. You're competing with sound bites for good investment behavior."

Total Assets	**$1 billion**
Typical Account	**$4.2 million**
Typical Net Worth	**$9.6 million**

SOUTH DAKOTA

Todd Nelson, Merrill Lynch WM

TODD NELSON GREW UP WORKING IN HIS FAMILY'S grocery store and restaurants, doing everything from stocking shelves to waiting tables. "You develop a sense that you have to deal with people from a customer-service standpoint," he says. At Merrill Lynch, where he started in 1989, he has built a nationwide book of business. Based in Sioux Falls, he works across 30 states with clients such as business owners, physicians, ranchers, and farmers, many of them retired. "The best part is you get to meet people in different parts of the country and learn about them," says Nelson, 62. Despite the new tax law, most of his clients are sensitive to taxes and seek income, so municipal bonds and dividend stocks have appeal. "They are investors, not speculators," he says. "They don't want to put themselves in a position where they have to sell some asset when it's down to sustain their lifestyle. We plan for that."

– *C.K.*

"Some people do a good job of saving for retirement; unfortunately, others wish they had more income and started earlier in their lives saving and planning better."

Total Assets	**$1.2 billion**
Typical Account	**$1 million**
Typical Net Worth	**$3 million**

TENNESSEE

Timothy Pagliara, CapWealth Advisors

TIMOTHY PAGLIARA FINDS HIMSELF INCREASINGLY wrestling with the challenges of an aging population. "Baby boomers are confronting everything from dementia to problems of losing their independence," he says. "It's a dominant theme." To meet those needs, Pagliara, 60, and his staff now field more calls at night from their client group of 600 families, tap consultants to educate those navigating Social Security and Medicare, and advise on long-term care planning and assisted-living facilities. His investing, approach, however, hasn't changed all that much over the years. He wants investments that yield 5% after inflation, with rising income streams. One is Equinix, a data-center REIT that has roughly a 2% dividend, which could grow 10% to 15% a year, he says. Compare that with 10-year Treasuries, which have gotten hammered as interest rates have risen. "There's nothing safe about earning 1% on your money if you pay taxes, then lose 2% to inflation," he says. – *C.K.*

"Managing money is easy, it's managing people that's difficult."

Total Assets	**$1.3 billion**
Typical Account	**$2.5 million**
Typical Net Worth	**$7 million**

TEXAS

Richard Szelc, Neuberger Berman

RICHARD SZELC'S BIG BREAK AS A FINANCIAL advisor came a few years after he started in 2001, when he won a new client with $150 million in assets. "That gave me the foundation and allowed me to believe in myself," he says. "The toughest part of the business is the first two years. You don't know if you can hit the home run in the ninth inning until you hit the home run in the ninth inning." After the client's death, Szelc, 62, kept a photo of the man on his desk, and he still works with the client's wife and family. Today, he says, advisors earn their keep in volatile markets, when "clients need us the most." He's diversifying his fixed income by adding more corporates and municipals, with durations down to three to 3½ years. He also likes emerging market debt, which he thinks is favorably priced. And he's bullish on small-caps and international stocks. Szelc has come to appreciate the value of experience. "Living through more markets makes you a better advisor," he says.

– *C.K.*

"We live in a world of probabilities. Advisors have to look into the future and do a probability analysis on certain outcomes to help customize portfolio-allocation decisions."

Total Assets	**$1.8 billion**
Typical Account	**$11 million**
Typical Net Worth	**$20 million**

UTAH

Dane Runia, Merrill Lynch PBIG

DANE RUNIA, 34, HAD A HIGH BAR SET FOR HIM: His dad, Scott, started the firm and has been Utah's top advisor seven times. Dane joined the firm 12 years ago, working as an associate and analyst and slowly building trust among the firm's 75 households, representing some $2.6 billion in assets. "It isn't something you can gain meeting with a client two or three times," he says. You get it "by following through, being consistent, and staying up-to-date on the markets." His clients include business owners, executives, and athletes. Cash flow is paramount, so they're protected when things get choppy. "Quality and earnings are what really bail you out in markets like this," he says. Runia flew remote-control airplanes as a kid. Now he operates a real one, a Piper Meridian, often taking his family on weekend jaunts. He's also a volunteer with Angel Flight West, a nonprofit that flies patients from remote areas for medical treatment.

– *C.K.*

"You need to know what you own."

Total Assets	**$2.6 billion**
Typical Account	**$66 million**
Typical Net Worth	**$100 million**

VERMONT

Tim Stotz, Morgan Stanley WM

TIM STOTZ, 48, SPENDS THE WINTER MONTHS SKIING with clients. This year on the chair lift he offers a comforting message: Don't confuse volatility with the return of 2008. "The risk is back, but we don't believe another Great Recession is here," he says. "Over the past two years, investors thought the high market returns would continue, but now you need to carefully monitor your asset allocation." In addition to a classic long-term buy-and-hold strategy and focus on quality stocks, Stotz sometimes uses covered calls against large-cap stocks, which generate 2% to 6% more in annualized yield and reduce risk. "We're consistent, take a little less risk, and squeeze extra income out," he says. Stotz likes short-term municipal bonds, and a small "sleeve" of international stocks, mostly in emerging markets. "Our clients are not insisting on home runs and they like the higher cash-flow attributes of our strategy," he says. "They want that consistent income."

– *E.C.*

"We're more concerned about owning quality stocks that have cash on their balance sheets and will be around for the long term."

Total Assets	**$731 million**
Typical Account	**$2 million**
Typical Net Worth	**$4 million**

VIRGINIA

Stephan Cassaday, Cassaday

STEPHAN CASSADAY HAS THOUGHT HARD ABOUT what makes a flourishing advisory firm. What successful advisors do on a daily basis, he says, often has very little to do with business and finance. "It's about understanding clients and people, what motivates them, what their fears are, and how to deal with them in a way that's helpful." Over 25 years, he has grown the firm to $2.4 billion in assets, serving some 1,800 households. To keep the focus on the client, Cassaday, 62, relies on actively managed mutual funds. "There's still money to be made in these markets, but it requires a lot of skill to find out where the value lies," he says. He likes short-term, high-quality corporate bonds, despite low-single digit returns. "The role of fixed income today isn't to make money; it's to not lose money," he says. He also believes in treating his employees the way that he'd like to be treated: "When you pay them the way I do, they think like owners," he says.

– *C.K.*

"The onset, duration, and magnitude of declines and advances have never been predicted by anyone. You have to accept that fact to be a good investor."

Total Assets	**$2.4 billion**
Typical Account	**$1.5 million**
Typical Net Worth	**$2 million**

WASHINGTON

Erik Morgan, Freestone Capital Mgmt

WHILE MANY ADVISORS VIEW THE WORLD THROUGH the lens of publicly traded securities, Erik Morgan, 48, of Seattle's Freestone Capital Management, takes a broader view. He believes both stocks and bonds are fully priced. Today, his model portfolio might consist of 30% to 40% in private equity, real estate, and hedge funds. The idea resonates, especially with clients who are business owners and executives who don't want plain-vanilla portfolios. "They understand that there are other ways to make money besides buying a broad basket of securities," he says. While some may question the safety of such portfolios, the objective is to reduce risk with investments that aren't correlated to stocks or bonds. One area he's looking at is a hybrid of private equity and real estate that invests in the assisted-living industry. "The demographics are compelling, and some have been poorly managed over the years, so there are opportunities for turnarounds," he says. – *C.W.M.*

"We believe exposure to a broader basket of investment classes leads to the likelihood of a better outcome."

Total Assets	**$4 billion**
Typical Account	**$4.5 million**
Typical Net Worth	**$7.7 million**

WEST VIRGINA

David Miller, RBC Wealth Management

AS A TEENAGER, DAVID MILLER WORKED AT A HOTdog drive-in to help his family after his dad lost his job. The extra money went to pay for groceries. Miller learned some life lessons from the experience. "It taught humility and a work ethic," he says. "You had to take care of customers—that's the only way you got your tips." Today, Miller, 48, is talking to clients about the potential impact of rising interest rates, which has made him bullish on financials such as community banks, and on energy stocks. He uses ETFs for equity exposure: "You can grab a lot of good companies with one purchase, and you're able to follow what's in it, unlike mutual funds." For the fixed-income allocation, he also favors floating-rate corporate bonds. And he's suggesting clients keep at least 10% in cash. To unwind, Miller hits the golf course with friends. "None of us talk business," he says. "It gets my mind off work for four or five hours. I think everybody needs that."

– *C.K.*

"Clients ask, 'How can I earn 20% with no risk?' I tell them, 'You have to get lucky and win the lottery.'"

Total Assets	**$1.5 billion**
Typical Account	**$750,000**
Typical Net Worth	**$1 million**

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

WISCONSIN

Michael Klein, Baird

AS A YOUNG MAN, MICHAEL KLEIN WORKED AT FORD Motor while earning an engineering degree, then served in the Navy Reserve. "In engineering and the military, you rely on teamwork and efficiency of process," he says. "That's what keeps cars on the line and airplanes in the air." He brought the same approach to financial advisory. His firm, with a team of 24, serves CEOs, business owners, families, and corporate pensions. His staff focuses on getting allocations right, and uses mutual funds and managers to invest in stocks, fixed income, private equity, and real estate. Over the past year, he has been rotating money out of U.S. stocks and into international. In an era of declining fees, Klein, 53, says that advisors need to strike a balance with managers. "One of our jobs is to be fair," he says. "We want an agreement that's good for the client and fair to the manager, so we get the service we are looking for."

– *C.K.*

"While the clients will have different mixes, they'll have relative consistency behind that variety of investments."

Total Assets	**$11.3 billion**
Typical Account	**$27 million**
Typical Net Worth	**$35 million**

WYOMING

Jeffrey Vincent, Vincent Financial Services

JEFFREY VINCENT'S START AT LPL FINANCIAL WAS poorly timed. It was 1988, soon after the '87 stock market crash, and Wyoming was in recession. "Most everybody thought I was going to fail," he says. He had been laid off as an accountant at Amoco, but his connections provided him with clients. And he saw opportunity in 401(k) rollovers. "I'd seen the rollover niche, and it worked," he says. Today, blue-collar oil-and-gas workers make up much of his client base. His investing approach focuses on high-yielding stocks such as pipeline companies and preferred shares. Vincent, 61, also likes some European American depositary receipts, oil, insurance, and banks. He's avoiding fixed income, and shortening durations on longer maturities. He likes cash; some clients hold 25%. "Even though we're optimistic, we see lots of risk out there." He eschews client minimums, citing how a landscaper can end up referring a wealthy customer. "The more accounts the better," he says.

– *C.K.*

"I let my employees have a lot of responsibility, and they are like family, but people don't stick around if they are not hardworking—they get embarrassed and leave."

Total Assets	**$275 million**
Typical Account	**$750,000**
Typical Net Worth	**$1.5 million**

Barron's Top 1,200 Financial Advisors

Rankings based on assets under management, revenue generated for advisors' firms, quality of practices, and other factors. N=new.

RANK 2018	RANK 2017	Name	Firm	City	CUSTOMERS: Individuals (Up to $1mil)	High Net Worth ($1-10 mil)	Ultrahigh Net Worth ($10 mil+)	Found-ations	Endow-ments	Institu-tional	Total Assets ($mil)	Typical Account ($mil)	Typical Net Worth ($mil)
ALABAMA													
1.	2.	Tony Smith	UBS Financial Svcs	Birmingham		•	•				$3,209	$50	$100
2.	3.	Jeff Roberts	Ameriprise Financial	Birmingham	•	•	•				671	0.46	1
3.	1.	Robert Runkle	Merrill Lynch Wealth Mgmt	Montgomery	•	•	•			•	1,457	1.5	2.5
4.	4.	Mark Mantooth	Merrill Lynch Wealth Mgmt	Huntsville	•	•	•				902	3	15
5.	7.	Jerry Duncan	UBS Financial Svcs	Birmingham		•	•				3,209	50	100
6.	N	Camper O'Neal	Merrill Lynch Wealth Mgmt	Birmingham	•	•	•	•	•	•	776	8	10
7.	N	Wes Clayton	HighTower Twickenham	Huntsville	•	•	•			•	1,000	6	20
8.	5.	Michael Warr	Morgan Stanley Wealth Mgmt	Tuscaloosa	•	•	•			•	1,371	5	10
9.	9.	Michael Mullis	Securities America	Vestavia Hills	•	•	•			•	540	0.95	1.75
10.	8.	Steven Hudson	Ameriprise Financial	Birmingham	•	•	•				488	1.5	3.5
11.	6.	Thomas Jackson	Merrill Lynch Wealth Mgmt	Birmingham	•	•	•				448	1.6	2
12.	10.	Alistair Harding-Smith	Morgan Stanley Wealth Mgmt	Tuscaloosa	•	•	•			•	1,490	2.5	4
ALASKA													
1.	5.	Jeff Leonard	Raymond James	Anchorage	•	•	•				$565	$2	$2.75
2.	4.	Kenneth Jones	Merrill Lynch Wealth Mgmt	Anchorage	•	•	•				322	2.5	8
3.	3.	Thomas Konop	Morgan Stanley Wealth Mgmt	Anchorage	•	•	•				238	1.25	2.5
4.	N	Peter Jurasz	Merrill Lynch Wealth Mgmt	Juneau	•	•	•				331	2	5
5.	6.	Tommy Kibler	Merrill Lynch Wealth Mgmt	Anchorage	•	•	•				316	2	3.5
6.	N	Grant Shearer	Wells Fargo Advisors	Anchorage	•	•	•			•	1,350	1.5	5
ARIZONA													
1.	4.	Scott Horn	TFO Phoenix	Phoenix		•	•				$2,166	$16	$25
2.	3.	Robert Bancroft	Morgan Stanley PWM	Scottsdale		•	•				1,094	15	35
3.	5.	Steven Schultz	UBS Financial Svcs	Phoenix	•	•	•				1,775	3	5
4.	2.	Allan Flader	RBC Wealth Mgmt	Phoenix	•	•	•				698	2.5	5
5.	1.	David Stahle	Merrill Lynch Wealth Mgmt	Gilbert	•	•	•	•	•	•	1,746	3	5
6.	6.	Glenn Pahnke	RBC Wealth Mgmt	Scottsdale	•	•	•	•			560	3.5	8
7.	12.	Trevor Wilde	Wilde Wealth Mgmt Group	Scottsdale	•	•	•				682	0.44	1.5
8.	11.	Ruth Transue	Wells Fargo Advisors	Tucson	•	•	•				700	2	4
9.	N	Michael Butt	Morgan Stanley Wealth Mgmt	Scottsdale	•	•	•			•	591	1.5	2
10.	13.	Michael Hudak	Merrill Lynch PBIG	Phoenix		•	•			•	2,097	10	20
11.	7.	James Marten	Merrill Lynch Wealth Mgmt	Phoenix	•	•	•	•	•		1,561	3	6
12.	24.	Brian Friedman	Merrill Lynch Wealth Mgmt	Phoenix	•	•	•			•	867	6	15
13.	20.	Steve Rabin	Ameriprise Financial	Mesa	•	•	•				695	1	2.5
14.	N	Paul Groves	Morgan Stanley PWM	Scottsdale		•	•				1,290	35	50
15.	10.	Alan Gendler	Merrill Lynch Wealth Mgmt	Scottsdale	•	•	•				399	1	4
16.	N	Jeffrey Newman	Morgan Stanley PWM	Scottsdale		•	•				1,287	35	50
17.	23.	Jacob Duffy	Baird	Scottsdale	•	•				•	421	1.5	3
18.	17.	Stephen Harnden	Ameriprise Financial	Peoria	•	•				•	545	1	2
19.	21.	Richard Whalen	UBS Financial Svcs	Phoenix	•	•	•			•	1,199	1.05	3.5
20.	18.	Renee Hanson	Ameriprise Financial	Phoenix	•	•					404	0.7	2
21.	14.	Steven Gillan	Merrill Lynch Wealth Mgmt	Scottsdale	•	•	•	•		•	614	1.5	2
22.	9.	Kent Hughes	Merrill Lynch Wealth Mgmt	Phoenix	•	•	•				409	1.6	2.3
23.	25.	Christopher Downs	Merrill Lynch Wealth Mgmt	Gilbert	•	•	•				642	1.7	3
24.	28.	Tony Bebbington	UBS Financial Svcs	Phoenix	•	•					426	0.5	2
25.	22.	Trent Longnecker	Merrill Lynch Wealth Mgmt	Phoenix	•	•	•	•		•	421	2	3
26.	26.	Joe Di Vito	RBC Wealth Mgmt	Phoenix	•	•	•			•	400	2	5
27.	30.	Charles "Chip" Pisoni	RBC Wealth Mgmt	Scottsdale	•	•	•				311	1.7	3.8
28.	27.	Karekin Kaprelian	Ameriprise Financial	Scottsdale	•	•	•				304	0.75	1.2
29.	19.	Rick Nunley	Merrill Lynch Wealth Mgmt	Scottsdale	•	•	•	•			412	3.7	4
30	29	Sean Waltz	Merrill Lynch Wealth Mgmt	Phoenix	•	•	•	•			419	3.5	5
ARKANSAS													
1.	1.	Allen Homra	Edward Jones	Stuttgart	•	•	•				$571	$0.7	$0.8
2.	4.	Hardy Winburn	UBS Financial Svcs	Little Rock	•	•	•			•	597	2.1	6
3.	2.	Joseph Small	Small and Associates Financial	Little Rock	•	•					371	0.4	1
4.	N	Douglas Jackson	Merrill Lynch Wealth Mgmt	Little Rock	•	•	•				2,037	5	0.7
5.	5.	Roy Gutierrez	UBS Financial Svcs	Little Rock	•	•	•			•	1,171	2	3.5
6.	6.	John Engskov	Merrill Lynch Wealth Mgmt	Little Rock	•	•	•				2,037	5	7
CALIFORNIA													
1.	5.	Gregory Vaughan	Morgan Stanley PWM	Menlo Park		•	•	•	•		$21,523	$75	$150
2.	1.	Andy Chase	Morgan Stanley PWM	Menlo Park	•	•	•			•	34,200	10	30
3.	4.	Mark T. Curtis	Graystone Consulting	Palo Alto	•	•	•	•	•	•	68,420	15	30
4.	3.	Drew Zager	Morgan Stanley PWM	Los Angeles			•				8,173	60	200
5.	19.	Karen McDonald	Morgan Stanley Wealth Mgmt	Palo Alto	•	•	•			•	46,358	3	10
6.	13.	Eric Gray	Merrill Lynch PBIG	Los Angeles		•	•				12,206	50	80
7.	6.	Spuds Powell	Kayne Anderson Rudnick Inv Mgmt	Los Angeles	•	•	•				17,014	8	15
8.	11.	Mark Douglass	Morgan Stanley PWM	Menlo Park		•	•	•	•		21,523	75	150
9.	N	Jon Goldstein	First Republic Inv Mgmt	Palo Alto		•	•				8,238	50	75
10.	12.	Mark Schulten	The Schulten Group of Wells Fargo	Long Beach	•	•	•			•	3,255	3	5
11.	9.	Dorian McKelvy	Morgan Stanley Wealth Mgmt	Menlo Park	•	•	•				6,048	2	2.5
12.	8.	Alan Whitman	Morgan Stanley Wealth Mgmt	Pasadena	•	•	•				2,658	5	15
13.	22.	Troy Griepp	Morgan Stanley PWM	San Francisco	•	•	•	•			8,430	30	50
14.	20.	Robert J. Skinner II	First Republic Inv Mgmt	Palo Alto		•	•	•			17,266	10	50
15.	29.	Francis X. Malone	Morgan Stanley PWM	Los Angeles		•	•				5,500	25	75
16.	14.	Richard Jones	Merrill Lynch PBIG	Los Angeles			•	•	•	•	16,365	50	75
17.	21.	Jeffrey Colin	Baker Street Advisors	San Francisco		•	•	•			6,800	20	30
18.	17.	Reza Zafari	Merrill Lynch PBIG	Los Angeles			•	•	•	•	16,365	50	75
19.	18.	Shannon Eusey	Beacon Pointe Advisors	Newport Beach	•	•	•	•	•		7,219	5	15
20.	26.	Drew Freides	UBS Financial Svcs	Los Angeles			•	•	•		3,600	35	50

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

BARRON'S • SPECIAL SUPPLEMENT

RANK 2018	RANK 2017	Name	Firm	City	CUSTOMERS: Individuals (Up to $1mil)	High Net Worth ($1-10 mil)	Ultrahigh Net Worth ($10 mil+)	Found-ations	Endow-ments	Institu-tional	Total Assets ($mil)	Typical Account ($mil)	Typical Net Worth ($mil)
21.	15.	Dana Jackson	Graystone Consulting	Menlo Park		•	•	•			34,200	30	45
22.	38.	Steve Levine	UBS Financial Svcs	Los Angeles		•	•	•		•	5,087	10	25
23.	23.	Dale Yahnke	Dowling & Yahnke	San Diego		•	•				3,774	3.35	20
24.	10.	Alan Zafran	First Republic Inv Mgmt	Palo Alto		•	•	•			17,266	12	40
25.	16.	Lance Marcus	Merrill Lynch Wealth Mgmt	Pasadena	•	•	•				3,591	5	10
26.	31.	John Krambeer	Camden Capital	El Segundo	•	•	•	•			1,855	15	30
27.	N	Dagny Maidman	First Republic Inv Mgmt	San Francisco		•	•				1,698	30	60
28.	36.	Tim Emanuels	Morgan Stanley PWM	San Francisco		•	•				9,511	50	100
29.	34.	Rich Petit	Morgan Stanley PWM	Menlo Park	•	•	•				9,511	50	100
30.	25.	Shane Brisbin	Morgan Stanley PWM	San Francisco		•	•				4,176	25	40
31.	35.	Frank Reilly	Reilly Financial Adv	La Mesa	•	•					1,805	1.2	4.5
32.	47.	John Shadden	Morgan Stanley PWM	Long Beach	•	•	•	•	•	•	2,743	11	20
33.	27.	Laila Pence	Pence Wealth Mgmt	Newport Beach	•	•	•				1,415	2	5
34.	42.	Chad Evans	Morgan Stanley Wealth Mgmt	Newport Beach						•	10,931	150	500
35.	N	Elaine Meyers	J.P. Morgan Securities	San Francisco		•	•				2,200	50	300
36.	45.	Jon Neuhaus	Morgan Stanley PWM	Los Angeles		•	•				5,500	25	75
37.	61.	Robert Inbody	Morgan Stanley Wealth Mgmt	La Jolla	•	•	•	•			3,750	10	10
38.	41.	Philippe Hartl	Merrill Lynch PBIG	Century City		•	•	•			6,492	45	80
39.	37.	Randy Peterson	First Republic Inv Mgmt	San Francisco	•	•	•			•	4,156	8	12
40.	N	Vicken Ekmekjian	CIBC Atlantic Trust PWM	San Francisco		•	•	•		•	2,079	7.91	20
41.	44.	Jim Berliner	Westmount Asset Mgmt	Los Angeles	•	•	•				2,787	3	8
42.	N	Gillian Yu	Morgan Stanley PWM	San Francisco			•				3,500	40	100
43.	51.	Michael Kanigher	UBS Financial Svcs	Los Angeles		•	•				3,600	35	50
44.	65.	Bruce Munster	Merrill Lynch PBIG	Los Angeles		•	•	•			1,629	42	100
45.	40.	John McNamee	Merrill Lynch PBIG	Los Angeles		•	•	•		•	4,517	50	100
46.	N	John Shuhda	Merrill Lynch PBIG	San Francisco		•	•	•		•	3,013	15	25
47.	68.	Craig Chiate	UBS Financial Svcs	Century City			•	•			3,034	40	50
48.	64.	Debra Wetherby	Wetherby Asset Mgmt	San Francisco		•	•				4,800	25.6	40
49.	50.	Andrew Rand	Rand & Associates	San Francisco	•	•	•	•		•	1,190	3	5
50.	66.	Tripp Taylor	Neuberger Berman	San Francisco		•	•	•			912	10	46
51.	63.	Roger Stephens	UBS Financial Svcs	Los Angeles			•		•	•	12,987	5	20
52.	N	Richard Blosser	Blosser Reeder Wealth Mgmt	Los Angeles		•	•	•	•	•	1,865	25	40
53.	52.	Karl Wolfslau	Morgan Stanley Wealth Mgmt	Long Beach	•	•					1,048	0.85	2.5
54.	69.	Debbie Jorgensen	Merrill Lynch Wealth Mgmt	San Francisco		•	•	•	•		1,511	30	65
55.	N	Inna Kelly	Morgan Stanley Wealth Mgmt	San Francisco		•	•				1,334	20	30
56.	43.	Mike Abrams	Wells Fargo Advisors	Palo Alto		•	•	•			5,300	25	40
57.	46.	Robert Gallo	Merrill Lynch Wealth Mgmt	Walnut Creek	•	•	•			•	1,462	0.75	2.5
58.	70.	Cheryl Young	Morgan Stanley Wealth Mgmt	Los Gatos	•	•	•				1,129	5	12
59.	56.	Alex Shahidi	Advanced Research Inv Solutions	Beverly Hills			•	•		•	11,586	20	25
60.	73.	Daniel Rothenberg	UBS Financial Svcs	Los Angeles		•	•		•	•	12,987	5	20
61.	53.	Emily Van Hoorickx	UBS Financial Svcs	San Jose	•	•	•				5,317	2	10
62.	97.	Steve Winston	Morgan Stanley Wealth Mgmt	Los Angeles	•	•	•	•			1,399	5.4	8
63.	87.	Keith Tanabe	Merrill Lynch Wealth Mgmt	Los Angeles	•	•	•	•	•	•	5,003	5	7
64.	57.	David Moyne	Merrill Lynch PBIG	San Francisco		•	•	•			3,820	100	150
65.	104.	Gail Reid	Ameriprise Financial	Glendale	•	•		•			1,330	2.5	4
66.	54.	George Papadoyannis	Ameriprise Financial	San Mateo	•	•					6,000	2.5	10
67.	74.	Mike Burbank	Morgan Stanley PWM	San Francisco		•	•				1,444	25	50
68.	59.	Jesse Bromberg	Morgan Stanley Wealth Mgmt	San Francisco		•	•			•	1,074	6	11
69.	60.	Ash Chopra	Merrill Lynch PBIG	San Francisco		•	•	•			2,528	45	70
70.	98.	Brian Holmes	Signature Estate and Inv Advisors	Los Angeles	•	•	•				7,356	8	15
71.	80.	Michael van den Akker	Baker Street Advisors	San Francisco		•	•	•			6,800	20	30
72.	101.	Grant Lee	Morgan Stanley PWM	San Francisco		•	•				2,718	15	25
73.	78.	James McCabe	Wells Fargo Advisors	Beverly Hills		•	•	•			1,700	5	10
74.	N	Greg Onken	J.P. Morgan Securities	San Francisco		•	•	•			3,000	15	25
75.	77.	Gary Fournier	J.P. Morgan Securities	Los Angeles	•	•	•		•	•	1,312	10	25
76.	89.	Kerrick Bubb	KWB Wealth Managers	Redlands	•	•	•			•	754	0.68	1.5
77.	72.	Richard Palmer	Morgan Stanley PWM	San Francisco	•	•	•	•	•		8,293	30	50
78.	86.	James Greenfield	Morgan Stanley PWM	San Francisco		•	•	•			1,511	20	30
79.	84.	Andrew Basch	Morgan Stanley PWM	Los Angeles		•	•			•	2,744	10	20
80.	88.	David Bahnsen	Bahnsen Group at HighTower	Newport Beach	•	•	•			•	1,180	5	7.5
81.	58.	Dan Murphy	Morgan Stanley Wealth Mgmt	Menlo Park	•	•	•			•	12,383	10	20
82.	99.	Renee Fourcade	UBS Financial Svcs	Los Angeles	•	•	•			•	4,159	10	5
83.	32.	Steven Weber	Morgan Stanley PWM	Newport Beach		•	•	•			1,781	30	50
84.	96.	Jack Wong	Morgan Stanley Wealth Mgmt	Mountain View	•	•	•	•		•	776	10	10
85.	49.	Brian Firring	Wells Fargo Advisors	Beverly Hills		•	•				1,600	20	40
86.	N	Keith Webster	First Republic Inv Mgmt	Los Angeles		•	•	•			1,385	10	20
87.	76.	Sam Schoner	First Republic Inv Mgmt	San Francisco		•	•		•	•	1,606	5	10
88.	85.	Michael Genovese	Genovese Burford & Brothers	Sacramento	•	•				•	2,602	0.85	2.5
89.	33.	Richard Hogan	Merrill Lynch PBIG	San Francisco		•	•	•		•	3,099	50	100
90.	N	Lisa Reed	Neuberger Berman	Los Angeles		•	•				700	7	10
91.	93.	Sean Yu	Morgan Stanley PWM	Pasadena		•	•			•	592	12	50
92.	71.	James Klein	Morgan Stanley PWM	Los Angeles		•	•	•			1,059	10	25
93.	107.	Mark Binder	UBS Financial Svcs	Los Angeles			•	•			3,034	40	50
94.	N	Barbara Bruser	First Republic Inv Mgmt	Los Angeles		•	•			•	948	5	20
95.	N	Tracey Gluck	J.P. Morgan Securities	Los Angeles		•	•	•			905	12	20
96.	113.	Chris Clifford	UBS Financial Svcs	San Francisco		•	•				1,133	18	25
97.	117.	Daniel Goldie	Dan Goldie Financial Svcs	Palo Alto	•	•	•				845	3	5
98.	N	David Molnar	HighTower San Diego at HighTower	San Diego		•	•				1,064	10	10.23
99.	110.	David Jasper	UBS Financial Svcs	San Francisco		•	•	•			1,809	50	50
100.	110.	Michael Evans	UBS Financial Svcs	San Francisco		•	•	•			1,809	50	50
101.	105.	Richard McWhorter	Merrill Lynch PBIG	Glendale	•	•	•	•			1,534	20	75
102.	95.	Philip Walters	Wells Fargo Advisors	Beverly Hills	•	•	•			•	4,260	3	15
103.	112.	Darren Pfefferman	Morgan Stanley PWM	San Diego		•	•	•	•	•	1,815	10	30
104.	109.	Joseph Schirripa	UBS Financial Svcs	Beverly Hills	•	•	•				1,679	3	10
105.	90.	Patrick Severo	RBC Wealth Mgmt	Beverly Hills		•	•	•		•	3,400	12.5	25
106.	91.	Tom Blanchfield	Merrill Lynch PBIG	Newport Beach		•	•				1,662	30	50
107.	120.	Lawrence Smith	UBS Financial Svcs	Brea	•	•		•		•	956	1.5	2
108.	62.	Micah Scheinberg	Alex.Brown|Raymond James	Century City		•	•				1,440	20	40
109.	108.	Sonny Kothari	Merrill Lynch Wealth Mgmt	Brea	•	•	•			•	985	3.6	5
110.	N	Brian Dombkowski	Sand Hill Global Advisors	Palo Alto		•	•		•		2,082	7	15
111.	100.	Martin Miller	Ameriprise Financial	San Carlos	•	•	•				790	1.5	8
112.	118.	Jeffrey Werdesheim	Oppenheimer	Los Angeles	•	•	•				1,650	10	25
113.	119.	Glen Strauss	Wells Fargo Advisors	Los Angeles	•	•	•				1,100	4	7.5
114.	102.	Perry Richards	Merrill Lynch Wealth Mgmt	Beverly Hills	•	•	•	•		•	889	5	20
115.	N	Tony daRoza	Merrill Lynch PBIG	San Francisco		•	•				1,488	25	40
116.	N	Michael Allard	CalBay Investments	Danville	•	•	•				887	1.4	3
117.	102.	Michael Baumer	Morgan Stanley PWM	San Francisco		•	•				4,176	25	40
118.	N	Laura Ward	First Republic Inv Mgmt	San Francisco		•	•		•		1,055	5	10
119.	115.	Michael Dunn	Merrill Lynch Wealth Mgmt	Walnut Creek	•	•	•				776	7.5	10
120.	N	Daniel White	Merrill Lynch PBIG	Los Angeles		•	•	•		•	4,517	50	100

COLORADO

1.	1.	Shawn Fowler	Morgan Stanley PWM	Denver		•	•			•	$2,402	$33	$61
2.	39.*	Pamela Rosenau	The Rosenau Group at HighTower	Aspen	•	•	•				1,071	10	30
3.	3.	Wally Obermeyer	Obermeyer Wood Inv Counsel	Aspen	•	•	•				1,670	3	10
4.	4.	Mark Smith	M.J. Smith / Raymond James	Greenwood Village	•	•	•				762	1.6	2
5.	5.	Carl Hoover	Merrill Lynch PBIG	Denver		•	•				2,651	15	25
6.	8.	Donna Di Ianni	Merrill Lynch Wealth Mgmt	Aspen		•	•	•			793	8	20
7.	N	Paul Kropatsch	Ameriprise Financial	Thornton	•	•					1,207	0.34	1.1
8.	6.	Scott Thisted	Merrill Lynch PBIG	Denver		•	•				2,651	15	25
9.	9.	Andrew Lang	Lang Inv Wells Fargo Adv FiNet	Littleton	•	•	•	•	•		1,070	5	7.5
10.	15.	Mark R. Brown	Brown & Tedstrom	Denver		•	•				612	7	15
11.	N	Melissa Corrado Harrison	UBS Financial Svcs	Denver		•	•				749	25	100

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

BARRON'S • SPECIAL SUPPLEMENT

RANK 2018	RANK 2017	Name	Firm	City	CUSTOMERS: Individuals (Up to $1mil)	High Net Worth ($1-10 mil)	Ultrahigh Net Worth ($10 mil+)	Found-ations	Endow-ments	Institu-tional	Total Assets ($mil)	Typical Account ($mil)	Typical Net Worth ($mil)
12.	12.	Frank Caccavallo	Wells Fargo Advisors	Boulder	•	•	•				745	1.75	10
13.	N	Maxwell Bull	Morgan Stanley PWM	Denver		•	•			•	2,108	33	61
14.	10.	Brad Bickham	Colorado Financial Mgmt	Boulder	•	•	•	•			1,407	2	3
15.	13.	Joseph Janiczek	Janiczek Wealth Mgmt	Denver	•	•	•				464	2.5	7
16.	18.	Brent Hablutzel	Merrill Lynch Wealth Mgmt	Greenwood Village	•	•	•				378	1.91	2.8
17.	11.	James Chapman	Merrill Lynch Wealth Mgmt	Englewood	•	•	•				414	2.2	5
18.	N	Diane Padalino	Merrill Lynch PBIG	Denver		•	•	•			1,511	35	40

*California

CONNECTICUT

1.	1.	Jeff Erdmann	Merrill Lynch PBIG	Greenwich			•				$5,937	$37	$50
2.	2.	William Greco	UBS Financial Svcs	Hartford	•	•	•			•	4,193	10	15
3.	5.	Rich Hassan	Alex.Brown|Raymond James	Greenwich		•	•				5,500	51	100
4.	3.	Brian Hetherington	Merrill Lynch PBIG	New Canaan		•	•				2,473	25	30
5.	4.	Harold Trischman	Morgan Stanley Wealth Mgmt	Greenwich	•	•	•	•	•	•	1,918	5	10
6.	8.	Bryan Stepanian	Alex.Brown|Raymond James	Greenwich			•	•		•	3,200	100	150
7.	9.	Ronald Weiner	RDM Financial Group at HighTower	Westport	•	•	•			•	816	3.5	7
8.	7.	Thomas Vacheron	Merrill Lynch Wealth Mgmt	Fairfield		•	•				1,421	7.5	20
9.	6.	Terence Markey	Morgan Stanley PWM	Greenwich		•	•		•		5,385	25	50
10.	15.	Peter Chieco	Morgan Stanley Wealth Mgmt	Greenwich	•	•	•				1,291	5	15
11.	10.	Charles Noble	Janney Montgomery Scott	New Haven	•	•	•	•	•		900	6	12
12.	11.	Teresa Jacobsen	UBS Financial Svcs	Stamford		•	•	•	•	•	897	11	15
13.	17.	John Goodwin	Morgan Stanley PWM	Stamford		•	•	•			2,012	20	75
14.	20.	Chris Jewell	Wells Fargo Advisors	Greenwich		•	•	•		•	1,000	5	30
15.	N	Matthew Somberg	Gottfried & Somberg Wealth Mgmt	Glastonbury	•	•	•			•	650	2.5	3
16.	21.	Thomas Lips	UBS Financial Svcs	Hartford	•	•	•				1,822	5	10
17.	19.	David Goodwin	Merrill Lynch Wealth Mgmt	Hartford	•	•	•	•		•	615	6	12
18.	13.	Rob Giannetti	Merrill Lynch PBIG	Greenwich			•				5,937	37	50
19.	26.	Ivan Dolgins	Merrill Lynch Wealth Mgmt	Stamford	•	•	•			•	1,610	0.75	1
20.	24.	Lawrence Haertel	UBS Financial Svcs	Greenwich	•	•	•				699	3	5
21.	22.	Jim Betzig	Beirne Wealth Consulting Svcs	Shelton	•	•	•	•	•	•	2,110	4	10
22.	30.	David Rosenthal	Alex.Brown|Raymond James	Greenwich	•	•	•	•	•	•	1,410	25	39
23.	36.	Linus Cooke	Merrill Lynch Wealth Mgmt	New Canaan	•	•	•				1,836	3.5	20
24.	29.	Will Gourd	UBS Financial Svcs	Stamford		•	•			•	2,050	20	30
25.	N	Thomas Markey	Morgan Stanley Wealth Mgmt	Stamford	•	•	•			•	925	5	7
26.	23.	Jason Cerniglia	Ameriprise Financial	Mystic	•	•	•				1,010	1.5	3.8
27.	31.	James Noonan	Merrill Lynch Wealth Mgmt	New London	•	•	•				425	2	3.5
28.	34.	Thomas Mantione	UBS Financial Svcs	Stamford		•	•				1,073	15	25
29.	27.	James Iannazzo	Merrill Lynch Wealth Mgmt	Stamford	•	•	•	•			488	3	5
30.	N	William Donnell	Merrill Lynch PBIG	Greenwich		•	•	•	•		1,265	5	20
31.	35.	Peter Neville	Morgan Stanley PWM	Hartford		•	•			•	1,022	50	50
32.	14.	Richard T. Goodwin	Merrill Lynch Wealth Mgmt	Madison	•	•	•				1,806	3	5
33.	12.	Anthony Fagella	Alex.Brown|Raymond James	Greenwich	•	•	•				1,200	10	25
34.	33.	Joan Valenti	Valenti Wealth Mgmt/LPL Financial	Farmington	•	•	•			•	435	2	2
35.	N	Dodd Koeckert	RBC Wealth Mgmt	Stamford		•	•	•	•		900	5	8
36.	25.	Robert Outtrim Jr.	Merrill Lynch Wealth Mgmt	New Haven		•	•			•	948	5	7

DISTRICT OF COLUMBIA

1.	1.	Marvin McIntyre	Morgan Stanley PWM	Washington	•	•	•			•	$3,203	$6	$25
2.	3.	Michael O'Neill	Morgan Stanley PWM	Washington		•	•				1,776	25	35
3.	2.	John M. Williams	Morgan Stanley PWM	Washington	•	•	•	•	•		2,050	20	35
4.	5.	Brett Anthony	Morgan Stanley Wealth Mgmt	Washington	•	•	•	•		•	3,191	10	25
5.	4.	John Reim	Morgan Stanley PWM	Washington		•	•				967	10	20
6.	17.	Barry Haffner	UBS Financial Svcs	Washington	•	•	•				1,304	5	10
7.	7.	James Wohlgemuth	Morgan Stanley PWM	Washington		•	•				716	14	20
8.	8.	Christopher Sargent	Wells Fargo Advisors	Washington	•	•	•	•			980	3	5
9.	6.	Tom Rietano	Merrill Lynch PBIG	Washington		•	•	•	•		4,910	10	25
10.	9.	H.L. 'Trip' McLaughlin III	Morgan Stanley Wealth Mgmt	Washington	•	•	•	•		•	3,178	10	25
11.	14.	Keith Apton	UBS Financial Svcs	Washington	•	•	•			•	1,372	2.5	25
12.	N	Sandra Cunningham	UBS Financial Svcs	Washington	•	•		•	•	•	822	10	25
13.	13.	Michael Freiman	Morgan Stanley Wealth Mgmt	Washington	•	•	•				1,301	1.25	2.5
14.	10.	Richard Harris	Alex.Brown / Raymond James	Washington	•	•	•	•		•	2,250	7	25
15.	21.	Frederick Shreves	Wells Fargo Advisors	Washington	•	•	•	•	•	•	2,200	3	8
16.	16.	Todd Kingsley	Alex.Brown / Raymond James	Washington	•	•	•	•		•	2,250	7	25
17.	12.	William Slater	Merrill Lynch PBIG	Washington		•	•				1,259	8	12
18.	15.	Skip Moosher	Morgan Stanley Wealth Mgmt	Washington	•	•	•				865	5	8
19.	11.	Trevor Nelson	Merrill Lynch Wealth Mgmt	Washington		•	•		•	•	2,229	10	25
20.	N	David Stuart	Morgan Stanley Wealth Mgmt	Washington	•	•	•				881	2	3
21.	18.	Paul Goree	Merrill Lynch Wealth Mgmt	Washington	•	•	•				1,278	5.5	8.25
22.	N	Gregory Marcus	UBS Financial Svcs	Washington		•	•				511	25	50
23.	N	John McKnight	Merrill Lynch Wealth Mgmt	Washington	•	•	•				1,188	1	5
24.	23.	Michael Kirvan	Merrill Lynch Wealth Mgmt	Washington	•	•	•				855	2.5	7.5

DELAWARE

1.	1.	Kimberlee Orth	Ameriprise Financial	Wilmington	•	•	•			•	$2,182	$4.73	$11.97
2.	2.	Donald DeWees Sr.	Wells Fargo Advisors	Greenville	•	•	•	•		•	973	2	4
3.	3.	Peni Warren	Merrill Lynch Wealth Mgmt	Dover	•	•	•			•	605	1.5	2
4.	4.	Michael Koppenhaver	Merrill Lynch Wealth Mgmt	Dover	•	•	•			•	650	1.75	5
5.	N	Don Truesdell	Merrill Lynch Wealth Mgmt	Wilmington	•	•	•	•			1,224	3.5	7
6.	N	Stephen Felt	Morgan Stanley Wealth Mgmt	Wilmington	•	•	•				329	1.5	2

FLORIDA

1.	1.	Thomas Moran	Wells Fargo Advisors	Naples	•	•	•			•	$4,040	$5	$25
2.	2.	Patrick Dwyer	Merrill Lynch PBIG	Miami			•				3,416	25	40
3.	3.	Adam Carlin	Morgan Stanley PWM	Coral Gables		•	•				2,949	17.5	25
4.	5.	Charles Mulfinger II	Graystone Consulting	Tampa	•	•	•			•	6,098	9.17	11
5.	4.	Louis Chiavacci	Merrill Lynch PBIG	Coral Gables			•				2,502	35	75
6.	6.	Lance Lemons	WaterOak Advisors	Winter Park	•	•	•	•			1,846	3	6
7.	7.	Sal Tiano	J.P. Morgan Securities	Palm Beach Gardens		•	•				3,000	15	35
8.	13.	Don d'Adesky	Raymond James	Boca Raton	•	•	•	•		•	3,576	5	10
9.	12.	Andrew Schultz	Morgan Stanley PWM	Miami Beach		•	•				964	10	20
10.	21.	Robert Doyle	Doyle Wealth Mgmt	St. Petersburg	•	•	•				813	1.55	4.25
11.	20.	George Dunn	Merrill Lynch WM	Ponte Vedra Beach		•	•	•	•	•	4,362	30	40
12.	25.	Robert Edwards	Wells Fargo Advisors	Naples	•	•	•			•	4,040	5	25
13.	18.	Margaret Starner	Raymond James	Coral Gables	•	•	•				1,111	5	7
14.	15.	Peter Bermont	Raymond James	Coral Gables		•	•	•	•		1,525	12.5	26
15.	17.	Todd Moll	Provenance Wlth / Raymond James	Fort Lauderdale	•	•	•	•		•	2,100	5	10
16.	23.	Eric Glasband	Merrill Lynch Wealth Mgmt	Boca Raton	•	•	•				859	4.2	10
17.	19.	Santiago Ulloa	WE Family Offices	Miami			•				7,024	204.54	225.5
18.	8.	John Elwaw	Morgan Stanley Wealth Mgmt	Miami	•	•	•				1,006	10	100
19.	27.	Kenneth Burke	Merrill Lynch Wealth Mgmt	Heathrow		•	•				1,124	15	20
20.	29.	William Merriam	Merrill Lynch Wealth Mgmt	Jacksonville	•	•	•	•	•	•	906	2	5
21.	22.	Richard Altieri	Morgan Stanley Wealth Mgmt	Boca Raton	•	•	•				882	5	20
22.	16.	Sean Fetterman	UBS Financial Svcs	Boca Raton		•	•			•	1,685	20	30
23.	28.	Janet Franco Gordon	Morgan Stanley Wealth Mgmt	Coral Gables	•	•	•				819	5	12
24.	26.	Michael McCain	Wells Fargo Advisors	Naples	•	•	•				1,885	10	15
25.	24.	James Mahoney	UBS Financial Svcs	Palm Beach Gardens		•	•	•			518	12	20
26.	31.	Ed Ventrice	UBS Financial Svcs	Boca Raton		•	•				810	12	25
27.	30.	Michael Bober	UBS Financial Svcs	Boca Raton		•	•				799	12	25
28.	44.	David Emma	HighTower Naples at HighTower	Naples	•	•	•				1,150	5	20
29.	59.	Jason Stephens	UBS Financial Svcs	Naples		•	•				756	10	20
30.	39.	Ghislain Gouraige	UBS Financial Svcs	Coral Gables		•	•			•	1,635	30	50
31.	42.	Louise Armour	J.P. Morgan Securities	Palm Beach Gardens		•	•				3,000	10	25
32.	N	Brian Shambo	Merrill Lynch Wealth Mgmt	Vero Beach	•	•	•				1,049	3.5	7.5

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

BARRON'S • SPECIAL SUPPLEMENT

RANK 2018	RANK 2017	Name	Firm	City	CUSTOMERS: Individuals (Up to $1mil)	High Net Worth ($1-10 mil)	Ultrahigh Net Worth ($10 mil+)	Found-ations	Endow-ments	Institu-tional	Total Assets ($mil)	Typical Account ($mil)	Typical Net Worth ($mil)
33.	14.	Barry Rubin	Merrill Lynch Wealth Mgmt	Delray Beach	•	•	•				1,207	3	8
34.	35.	Stephen Bloch	Morgan Stanley Wealth Mgmt	Aventura	•	•	•			•	4,325	3	5
35.	N	Roy Borrego	Merrill Lynch Wealth Mgmt	Punta Gorda	•	•	•			•	3,114	1	2.5
36.	32.	Thomas Kazazes	Morgan Stanley PWM	West Palm Beach			•	•		•	2,021	40	150
37.	79.	Eileen Berman	UBS Financial Svcs	West Palm Beach		•	•		•		1,038	20	50
38.	52.	J. Thomas Smith	UBS Financial Svcs	Palm Beach Gardens	•	•	•			•	743	10	15
39.	50.	Michael Shapiro	Morgan Stanley Wealth Mgmt	Boca Raton	•	•	•				681	1.8	3
40.	40.	Patrick Passarelle	Morgan Stanley Wealth Mgmt	Boca Raton	•	•	•			•	708	2.5	5
41.	N	Brian Lowenthal	UBS Financial Svcs	West Palm Beach		•	•		•		1,038	20	50
42.	41.	Keith Simmons	Merrill Lynch Wealth Mgmt	Miami	•	•	•				6,943	2	5
43.	45.	Michael Barron	UBS Financial Svcs	West Palm Beach	•	•	•			•	874	3.5	5
44.	47.	Aimee Cogan	Morgan Stanley Wealth Mgmt	Sarasota	•	•	•	•	•		806	10	20
45.	53.	William LaPato	Merrill Lynch Wealth Mgmt	Boca Raton	•	•	•				528	5	8
46.	48.	Thais Piotrowski	Ameriprise Financial	Boca Raton	•	•					771	0.75	1.2
47.	60.	Rachel Barzilay	Merrill Lynch Wealth Mgmt	Boca Raton		•	•			•	821	6	10
48.	46.	Michael Nickler	Morgan Stanley Wealth Mgmt	West Palm Beach	•	•	•				675	5	7
49.	66.	Andrew Kampf	Merrill Lynch Wealth Mgmt	Bonita Springs	•	•	•		•	•	1,537	3.5	5
50.	N	Steven Wagner	Omnia Family Wealth	Aventura		•	•				1,500	30	50
51.	34.	Gregory Pollock	Merrill Lynch Wealth Mgmt	Rockledge	•	•	•			•	765	3.5	5
52.	N	Todd Battaglia	Meg Green & Associates	Plantation	•	•	•				940	5	10
53.	36.	Adam Rosenfeld	Merrill Lynch Wealth Mgmt	Miami		•	•				660	30	100
54.	N	Dominic Casanueva	Merrill Lynch Wealth Mgmt	Sarasota	•	•				•	3,114	1	2.5
55.	N	Steve McGovern	Merrill Lynch Wealth Mgmt	Stuart	•	•	•				605	4	6
56.	33.	Ray Ferrara	ProVise Managment	Clearwater	•	•	•	•		•	747	1.25	2.2
57.	67.	Nelson Faro	Morgan Stanley Wealth Mgmt	Aventura	•	•	•				1,724	5	15
58.	57.	David Abelson	Morgan Stanley Wealth Mgmt	Palm Harbor	•	•	•			•	618	2.4	5
59.	37.	Scott Pinkerton	Pinkerton Wealth Mgmt	Venice	•	•	•	•		•	914	5	9
60.	43.	Matt Kilgroe	UBS Financial Svcs	St. Petersburg	•	•	•				817	6	11
61.	49.	Nadine Miller	Morgan Stanley Wealth Mgmt	Miami	•	•	•				451	1.5	5
62.	61.	Damion Carufe	J.P. Morgan Securities	Palm Beach Gardens	•	•	•				830	7	15
63.	93.*	Stephen Ruvituso	Merrill Lynch PBIG	Jupiter		•	•	•	•	•	1,390	15	20
64.	62.	Gregory O'Hare	Merrill Lynch PBIG	Palm Beach Gardens		•	•				647	15	30
65.	72.	Elbert Bledsoe	Merrill Lynch Wealth Mgmt	Jacksonville	•	•	•				963	7	10
66.	N	Hank Boyce	UBS Financial Svcs	Aventura		•	•				1,455	20	50
67.	83.	Michael Silver	Baron Silver Stevens Fin Adv	Boca Raton	•	•	•	•		•	538	1	4
68.	78.	Chris Garvin	UBS Financial Svcs	Fort Lauderdale	•	•	•	•		•	800	3	10
69.	51.	Mickey Silverman	Raymond James	Boca Raton		•	•				1,630	5	10
70.	69.	Michael Landsberg	Landsberg Bennett PWM	Punta Gorda	•	•	•				626	1.75	2.5
71.	65.	Miguel Viyella	Wells Fargo Advisors	Miami	•	•	•			•	893	10	20
72.	77.	Keith Jacoby	Wells Fargo Advisors	Naples	•	•	•				1,885	10	15
73.	81.	Thomas Ruggie	Ruggie Wealth Mgmt	Tavares	•	•	•			•	835	1.64	3.1
74.	82.	Conrad Santiago	Ameriprise Financial	Orlando	•	•					587	0.5	1.5
75.	71.	Jeff Camarda	Camarda Wealth Advisory Group	Fleming Island	•	•					242	0.6	2
76.	74.	Erick Ellsweig	Merrill Lynch Wealth Mgmt	West Palm Beach		•	•	•			1,081	3.5	5
77.	64.	Kevin Johnson	Morgan Stanley PWM	Naples		•	•				379	20	25
78.	75.	Raymond McGovern	Merrill Lynch Wealth Mgmt	Fort Walton Beach	•	•	•	•	•	•	676	2.5	5
79.	76.	A Perry Chappell	Merrill Lynch Wealth Mgmt	Jacksonville	•	•	•	•	•	•	1,199	5	10
80.	84.	Daryn Pingleton	Merrill Lynch Wealth Mgmt	West Palm Beach	•	•	•				551	4	8
81.	54.	Adam Fetterman	UBS Financial Svcs	Boca Raton		•	•			•	1,685	20	30
82.	58.	Neil A. Fox	Morgan Stanley Wealth Mgmt	Boca Raton	•	•				•	2,789	5	7
83.	N	William Hoyt	Raymond James	St. Petersburg	•	•	•	•	•	•	569	2.5	5
84.	56.	Mark Miller	Merrill Lynch Wealth Mgmt	Boca Raton	•	•	•				402	2	6

*New York

GEORGIA

1.	1.	Rod Westmoreland	Merrill Lynch PBIG	Atlanta		•	•				$2,383	$30	$50
2.	2.	James Hansberger	Morgan Stanley PWM	Atlanta		•	•	•			2,417	40	60
3.	4.	Brian Frank	Morgan Stanley PWM	Atlanta		•	•	•			1,996	5	20
4.	3.	Robert Balentine	Balentine	Atlanta		•	•		•	•	2,766	16	25
5.	6.	Keith Mericka	UBS Financial Svcs	Atlanta		•	•	•			3,006	25	40
6.	5.	David P. Higgins	Merrill Lynch PBIG	Atlanta		•	•	•			1,761	37	45
7.	22.	Gene Henssler	Henssler Financial	Kennesaw	•	•	•			•	1,729	1.12	2.06
8.	18.	Earle Dodd	UBS Financial Svcs	Atlanta				•	•	•	6,655	350	700
9.	12.	Vandyke Price	UBS Financial Svcs	Atlanta			•			•	2,450	30	40
10.	13.	Andrew Harbour	Graystone Consulting	Atlanta	•	•	•	•	•	•	2,789	3	5
11.	14.	Allen Wright	UBS Financial Svcs	Atlanta	•	•	•	•	•	•	6,638	150	500
12.	11.	Andy Berg	Homrich Berg	Atlanta	•	•	•			•	5,003	3	7
13.	10.	Buck Wiley III	Merrill Lynch PBIG	Atlanta		•	•		•		1,578	20	30
14.	9.	Ronald Hart	Morgan Stanley Wealth Mgmt	Atlanta	•	•	•				2,723	5	7.5
15.	7.	Ron Hughes	Merrill Lynch PBIG	Atlanta			•				1,069	45	50
16.	15.	John Montgomery	UBS Financial Svcs	Atlanta		•	•				1,216	20	40
17.	8.	Bert Ponder	Merrill Lynch PBIG	Atlanta		•	•	•			2,604	15	30
18.	16.	Justin Ryan	UBS Financial Svcs	Atlanta		•	•	•			1,440	54	95
19.	20.	Wes Moss	Capital Investment Advisors	Atlanta	•	•	•				2,019	1.5	2.5
20.	19.	Erik Bjerke	Merrill Lynch Wealth Mgmt	Atlanta		•	•	•	•	•	72,015	20	35
21.	25.	Jay Jowers	Merrill Lynch PBIG	Atlanta		•	•	•			2,604	15	30
22.	23.	Justin Berman	Berman Capital Advisors	Atlanta		•	•				1,931	11.7	30
23.	N	Leslie Lauer	UBS Financial Svcs	Atlanta		•	•			•	3,006	25	40
24.	27.	Craig Robson	Merrill Lynch Wealth Mgmt	Atlanta	•	•	•				1,388	2.5	10
25.	24.	David Mack	Merrill Lynch Wealth Mgmt	Atlanta		•	•	•	•	•	72,015	20	35
26.	21.	Michael Hines	CPC Advisors/Raymond James	Atlanta	•	•				•	638	2.5	4
27.	28.	Al Parker	Morgan Stanley PWM	Atlanta			•				1,178	50	75
28.	29.	Cooper Pulliam	Morgan Stanley PWM	Atlanta			•				1,178	50	75
29.	17.	Graham Roberts	Morgan Stanley Wealth Mgmt	Atlanta		•	•				1,399	5	10
30.	N	Ryan Smith	Northwestern Mutual	Atlanta	•	•	•				667	2.5	5

HAWAII

1.	3.	Alan Kodama	Ameriprise Financial	Honolulu	•						$344	$0.25	$1.6
2.	4.	Peter Backus	Graystone Consulting	Honolulu	•	•	•	•	•	•	1,558	2	5
3.	2.	Christina Hom	Morgan Stanley Wealth Mgmt	Honolulu	•	•				•	782	2	3.1
4.	N	Peter Ehrman	Morgan Stanley Wealth Mgmt	Honolulu	•	•		•		•	811	1.25	2.5
5.	N	James Bennett	Morgan Stanley Wealth Mgmt	Honolulu	•	•		•		•	802	1.25	2.5
6.	5.	Robert Saracco	Merrill Lynch Wealth Mgmt	Honolulu	•	•	•				324	3	5

IDAHO

1.	1.	Sandra Dalton	UBS Financial Svcs	Boise	•	•	•	•	•		$472	$3	$10
2.	4.	Robert Bracco	Merrill Lynch Wealth Mgmt	Boise	•	•	•				399	3.5	5
3.	N	Bruce Davidson	Wells Fargo Advisors	Boise	•	•	•	•			296	1	3
4.	3.	Dean Seibel	Edward Jones	Twin Falls	•	•		•			394	0.55	1.8
5.	5.	Justin Samples	Ameriprise Financial	Boise	•	•	•			•	615	0.75	1.5
6.	2.	Uwe Ruttke	Merrill Lynch Wealth Mgmt	Boise	•	•	•				565	3.85	8

ILLINOIS

1.	1.	Steven Hefter	Wells Fargo Advisors	Highland Park		•	•				$5,500	$15	$20
2.	4.	John Cultra	William Blair	Chicago		•	•	•			2,701	17.5	25
3.	8.	Steven Weinstein	Altair Advisers	Chicago		•	•				4,442	10	30
4.	21.	Michael Gallagher	Morgan Stanley Wealth Mgmt	Chicago	•	•	•			•	3,166	1.5	5
5.	10.	Bruce Lee	Merrill Lynch PBIG	Chicago	•	•	•			•	2,387	40	100
6.	9.	Paul Tashima	UBS Financial Svcs	Chicago			•	•		•	21,338	78	100
7.	7.	Raj Bhatia	Merrill Lynch PBIG	Chicago		•	•		•		1,529	15	25
8.	5.	Brian Hahn	Neuberger Berman	Chicago		•	•				1,700	18	50
9.	14.	Thomas Wilson	William Blair	Chicago		•	•	•			1,798	10	15
10.	13.	Mark Birringer	Morgan Stanley PWM	Chicago			•				8,141	50	125
11.	15.	David Mabie	William Blair	Chicago	•	•	•			•	1,684	2.5	6

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

BARRON'S • SPECIAL SUPPLEMENT

RANK 2018	RANK 2017	Name	Firm	City	CUSTOMERS: Individuals (Up to $1mil)	High Net Worth ($1-10 mil)	Ultrahigh Net Worth ($10 mil+)	Found-ations	Endow-ments	Institu-tional	Total Assets ($mil)	Typical Account ($mil)	Typical Net Worth ($mil)
12.	12.	John Ver Bockel	Merrill Lynch PBIG	Chicago		●	●				5,404	20	50
13.	6.	Scott Magnesen	Morgan Stanley Wealth Mgmt	Oak Brook	●	●	●				3,151	1	1.5
14.	N	James Whitney	Graystone Consulting	Chicago		●	●	●	●	●	2,271	45	50
15.	19.	Thomas Salvino	William Blair	Chicago	●	●	●	●	●	●	1,103	3.75	10
16.	18.	Shawn Parker	Ameriprise Financial	Schaumburg	●	●	●			●	2,000	2.5	5
17.	24.	Matthew Dillig	Dillig Bowen Group at HighTower	Chicago		●	●	●			1,600	35	50
18.	22.	John Joyce	Morgan Stanley PWM	Chicago			●				8,139	50	125
19.	42.	Brad DeHond	Morgan Stanley PWM	Chicago			●	●		●	2,265	40	50
20.	23.	Sharon Oberlander	Merrill Lynch Wealth Mgmt	Chicago		●	●				1,148	5.5	12
21.	17.	Maureen Raihle	Merrill Lynch PBIG	Chicago		●	●				5,404	20	50
22.	16.	David Wilkinson	Morgan Stanley PWM	Chicago		●	●				935	35	40
23.	38.	Jay Maltby	UBS Financial Svcs	Chicago		●	●	●			1,944	8	15
24.	11.	Louis Paster	UBS Financial Svcs	Chicago			●	●		●	21,338	78	100
25.	36.	Louise Lane	William Blair	Chicago	●	●	●	●			983	2	6
26.	2.	James Oberheide	Morgan Stanley PWM	Chicago		●	●	●			3,391	50	75
27.	29.	Tom Kilborn	Merrill Lynch Wealth Mgmt	Northbrook	●	●	●				928	3	5
28.	N	Michael Sakach	Graystone Consulting	Chicago		●	●				2,552	40	55
29.	32.	Kristina Van Liew	Graystone Consulting	Chicago		●	●	●	●	●	5,261	120	100
30.	25.	Andrew Griffo	Morgan Stanley Wealth Mgmt	Chicago		●	●			●	6,222	0.01	20
31.	35.	Linda Stephans	Graystone Consulting	Chicago		●	●	●	●	●	5,261	120	100
32.	39.	Michael Schaffer	Wells Fargo Advisors	Lake Forest	●	●	●	●		●	1,577	10	20
33.	28.	Kyle Chudom	Morgan Stanley Wealth Mgmt	Oak Brook	●	●	●				797	1	3
34.	47.	Michael Cohen	Morgan Stanley Wealth Mgmt	Chicago	●	●					1,528	1.5	2
35.	N	Walter Gondeck	The Lerner Group at HighTower	Deerfield	●	●				●	1,300	3	5
36.	26.	Mark Thorndyke	Merrill Lynch Wealth Mgmt	Chicago	●	●	●				1,104	5	7
37.	31.	David Wright	Merrill Lynch PBIG	Chicago		●	●	●			2,047	25	40
38.	37.	Daniel Grant	William Blair	Chicago		●	●				1,082	15	25
39.	49.	Joseph Silich	Morgan Stanley Wealth Mgmt	Chicago		●	●				1,001	7	12
40.	33.	Joseph Kartheiser	Morgan Stanley Wealth Mgmt	Chicago		●	●				1,266	15	25
41.	52.	Steven Porter	Merrill Lynch Wealth Mgmt	Northbrook	●	●	●				648	2.5	5
42.	45.	Benjamin Klein	Merrill Lynch Wealth Mgmt	Northbrook	●	●	●				697	3.5	5
43.	58.	Stewart Mather	Mather Group	Chicago	●	●	●				1,251	2.5	4
44.	34.	Daniel Fries	Merrill Lynch Wealth Mgmt	Chicago	●	●	●				811	2.7	5
45.	N	Wesley Tate	UBS Financial Svcs	Oakbrook Terrace	●	●	●				503	3.5	5
46.	40.	Ajay Desai	UBS Financial Svcs	Chicago		●	●				2,050	25	100
47.	48.	Bruce Becker	Morgan Stanley Wealth Mgmt	Chicago		●	●			●	864	7	20
48.	30.	Kathleen Roeser	Morgan Stanley Wealth Mgmt	Chicago		●	●	●		●	1,010	8	12
49.	54.	Robert Lanigan	Morgan Stanley PWM	Chicago			●				1,145	50	100
50.	50.	Todd Moser	Ameriprise Financial	Barrington	●	●	●				1,753	2.5	5
51.	41.	Benjamin Leshem	Wells Fargo Advisors	Highland Park		●	●				5,500	10	15
52.	51.	John Hammond	Merrill Lynch Wealth Mgmt	Northbrook	●	●	●				930	5	8
53.	N	Sean Lannan	Morgan Stanley Wealth Mgmt	Chicago	●	●					2,067	2.5	2.5
54.	N	Dan Hoffmann	Morgan Stanley Wealth Mgmt	Chicago	●	●					2,066	2.5	2.5
55.	43.	Russell McLean	Wells Fargo Advisors	Oak Brook	●	●	●				1,048	4	8
56.	N	Christopher Garrity	Merrill Lynch Wealth Mgmt	Northbrook	●	●	●				1,437	3	6
57.	N	David Sheppard	Merrill Lynch Wealth Mgmt	Deer Park		●	●				770	5.5	7.5
58.	N	Robert Siracusano	Wells Fargo Adv Financial Network	Naperville	●	●	●				650	2	2.5
59.	56.	Kevin Lynch	Morgan Stanley PWM	Chicago		●	●				1,300	35	50
60.	N	David Tracy	Wells Fargo Advisors	Chicago	●	●	●	●	●		2,160	7	10
INDIANA													
1.	1.	Wm. Craig Dobbs	Graystone Consulting	Indianapolis		●	●	●	●	●	$24,261	$221.97	$177.13
2.	2.	Martin Gregor	Merrill Lynch PBIG	Indianapolis		●	●	●	●	●	4,043	25	50
3.	6.	John Perry	Morgan Stanley Wealth Mgmt	Indianapolis	●	●	●				941	15	25
4.	4.	Eric Payne	Merrill Lynch Wealth Mgmt	Indianapolis	●	●	●				1,526	5	7.5
5.	3.	John Cate	Merrill Lynch Wealth Mgmt	Indianapolis		●	●			●	13,757	5	7
6.	5.	Christopher Moore	Ameriprise Financial	Fort Wayne	●	●	●				800	2	3.6
7.	8.	Ronald Mencias	Merrill Lynch Wealth Mgmt	Indianapolis	●	●	●				1,526	5	7.5
8.	14.	Daniel Finley	Merrill Lynch Wealth Mgmt	Fort Wayne	●	●	●			●	886	1	2.5
9.	9.	Jonathan Klausner	Morgan Stanley Wealth Mgmt	Indianapolis	●	●	●			●	1,858	4	10
10.	15.	Matthew Kahn	Merrill Lynch Wealth Mgmt	South Bend	●	●	●			●	711	5	8
11.	13.	Christopher Brooke	Merrill Lynch Wealth Mgmt	Indianapolis		●	●				729	3.5	7
12.	17.	Scott Saxe	Wells Fargo Advisors	Evansville	●	●	●			●	590	1	2
13.	11.	John Duffy	Morgan Stanley Wealth Mgmt	Indianapolis	●	●	●			●	1,851	4	10
14.	10.	K. Gregory Akers	Merrill Lynch Wealth Mgmt	Indianapolis	●	●	●			●	900	2	3
15.	16.	Paul Stscherban	Baird	Mishawaka	●	●	●	●			590	2	5
16.	N	Matthew Green	UBS Financial Svcs	Indianapolis	●	●	●	●			396	7.5	10
17.	N	Justin Smith	Merrill Lynch Wealth Mgmt	Indianapolis		●	●				729	3.5	7
18.	12.	Kevin McMullen	Merrill Lynch Wealth Mgmt	Indianapolis	●	●					428	1.25	1.75
IOWA													
1.	2.	Matt Fryar	Wells Fargo Advisors	Des Moines		●	●				$700	$5	$7
2.	4.	Timothy Finucan	Edward Jones	Webster City	●	●	●				502	0.75	2
3.	5.	Jeffrey Brandt	Ameriprise Financial	Fort Dodge	●	●					621	1	3
4.	3.	Keith Swanson	Morgan Stanley PWM	West Des Moines		●	●			●	841	10	15
5.	6.	Joel Worsfold	Wells Fargo Advisors	Clive	●	●	●				342	1.2	3
6.	N	Jerry Ask	Jerry K. Ask/Raymond James	Cedar Rapids	●	●					319	0.41	0.75
KANSAS													
1.	1.	Scott Ferguson	Morgan Stanley Wealth Mgmt	Leawood	●	●	●	●			$711	$5	$7
2.	5.	Richard Homuth	Merrill Lynch Wealth Mgmt	Leawood		●	●	●	●	●	868	7.2	8
3.	N	Philip Verhaeghe	Merrill Lynch Wealth Mgmt	Leawood	●	●	●				815	5	10
4.	N	Tom Kirk	6 Meridian	Wichita	●	●	●				2,270	3.7	10
5.	N	Ryan McQueary	Morgan Stanley Wealth Mgmt	Leawood	●	●	●			●	1,001	3	5
6.	4.	Patrick McCarthy	UBS Financial Svcs	Leawood	●	●	●		●	●	789	3.5	5
KENTUCKY													
1.	1.	Barry Barlow	Merrill Lynch Wealth Mgmt	Louisville		●	●	●			$707	$4	$7.5
2.	N	Pete Mahurin	Hilliard Lyons	Bowling Green	●	●	●				1,440	0.41	1
3.	3.	Mitch Settle	Hilliard Lyons	Owensboro	●	●	●			●	574	0.78	1.7
4.	9.	Thomas Perrone	Morgan Stanley Wealth Mgmt	Louisville	●	●	●			●	791	1.15	1.93
5.	8.	Philip McCauley	Morgan Stanley Wealth Mgmt	Louisville	●	●	●	●			823	5	10
6.	4.	Travis Musgrave	Merrill Lynch Wealth Mgmt	Lexington	●	●	●	●		●	551	5	6
7.	2.	Douglas Kisker	Ameriprise Financial	Crestview Hills		●					490	2.25	2.5
8.	7.	Robert Schneider	Morgan Stanley Wealth Mgmt	Louisville	●	●	●				386	3	5
9.	N	Dan Foutch	Hilliard Lyons	Glasgow	●	●	●	●		●	543	0.75	1.5
10.	5.	Scott Kelly	Merrill Lynch PBIG	Louisville		●		●		●	1,343	75	100
11.	6.	Mark Switow	UBS Financial Svcs	Louisville		●	●	●			525	5	20
12.	12.	Jill Bradley	Wells Fargo Advisors	Louisville	●	●	●				422	1	5
LOUISIANA													
1.	1.	James R. "Rick" Frayard	UBS Financial Svcs	Lafayette	●	●	●			●	$2,375	$2.1	$3
2.	5.	Curtis Eustis	Merrill Lynch Wealth Mgmt	New Orleans		●	●	●		●	966	8.5	20
3.	2.	Charles Simmons	Ameriprise Financial	Metairie	●	●	●			●	2,114	0.75	1.8
4.	4.	Robert Bickham	UBS Financial Svcs	New Orleans	●	●	●	●	●	●	4,461	75	75
5.	3.	James Spiro	Morgan Stanley Wealth Mgmt	New Orleans	●	●	●	●			1,786	1	5
6.	N	Scott Hardie	Merrill Lynch Wealth Mgmt	New Orleans	●	●	●			●	1,180	5	7
MAINE													
1.	1.	Todd Doolan	Morgan Stanley Wealth Mgmt	Portland	●	●	●			●	$420	$1.95	$2.9
2.	N	Jeremiah Burns	Morgan Stanley PWM	Portland		●	●			●	671	5	20
3.	3.	Brian Clement	RBC Wealth Mgmt	Portland	●	●	●	●		●	442	0.5	3
4.	2.	Gibson Wilkes	Wilkes Duffy WM at HighTower	Portland	●	●					479	1.5	2

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

THE WALL STREET JOURNAL.

THE FUTURE OF EVERYTHING FESTIVAL

Brilliant Minds. Bright Ideas. See What's Next, Now.

SPEAKERS MAY 8, 9, 10 **NEW YORK, NY**

JILL HAGENKORD Chief Medical Officer, Color | **JUSTIN C. SANCHEZ** Director, Biological Technologies Office, Defense Advanced Research Projects Agency | **JOHNNY MATHENY** Founder, Starfish Foundation for Advanced Prosthetics | **KARI STEFANSSON** President, Chairman, CEO and Co-Founder, deCODE genetics | **J. CRAIG VENTER** CEO, Co-Founder and Chairman, Human Longevity Inc. | **JOANNE SMITH** President and CEO, Shirley Ryan AbilityLab | **DAVID MAYMAN** CEO and Chief Pilot, JetPack Aviation | **JOEL C. SERCEL** Founder and Chief Innovator, TransAstra Corporation | **KARL IAGNEMMA** President, nuTonomy | **SEAN BARRETT** Founder, Dock to Dish | **PATRICK BROWN** Founder and CEO, Impossible Foods | **ANYA FERNALD** CEO, Belcampo | **SAM KASS** Former White House Chef and Senior Policy Advisor for Nutrition; Founder, TROVE; Venture Partner, Acre Venture Partners | **NATHAN MYHRVOLD** Founder and CEO, INTELLECTUAL VENTURES; Lead Author, "Modernist Cuisine" and "Modernist Bread" | **KIMBAL MUSK** Co-Founder, The Kitchen; 2017 Social Entrepreneur, Schwab Foundation | **ISABELLE LEGERON** Founder, RAW WINE | **JORDAN SALCITO** Director of Wine Special Projects, Momofuku; Founder, RAMONA and Bellus Wines | **GADI AMIT** President and Principal Designer, NewDealDesign LLC | **KHE HY** Contributing Editor, Quartz at Work; Creator, RadReads | **DAN SCHULMAN** President and CEO, PayPal | **CHARLIE SHREM** Founder, CryptoIQ.co | **MICHAEL NORTON** Professor, Harvard Business School | **GRETCHEN RUBIN** Author, "The Happiness Project" and "The Four Tendencies"; Host, "Happier with Gretchen Rubin" podcast | **HELAINE OLEN** Author, "Pound Foolish"; Co-Author, "The Index Card" | **JONATHAN NEMAN** Co-Founder and CEO, Sweetgreen | **KATRINA ADAMS** Chairman of the Board and President, United States Tennis Association | **JEFF LUHNOW** General Manager, Houston Astros | **ADAM SILVER** Commissioner, National Basketball Association | **CASEY WASSERMAN** Chairman and CEO, Wasserman | **JOHN FOLEY** Co-Founder and CEO, Peloton | **ROSE NAMAJUNAS** UFC Strawweight Champion, Ultimate Fighting Championship | **ANDY AUGENBLICK** President, Emigrant Bank Fine Art Finance; Vice Chairman, New York Private Bank & Trust | **ED DOLMAN,** CEO, Phillips Auction House | **LARRY GAGOSIAN** Founder and Owner, Gagosian Galleries | **LAUREN RIDENHOUR** Independent Adviser | **DOUG WOODHAM** Managing Partner, Art Fiduciary Advisors | **NANCY SPECTOR** Artistic Director and Jennifer and David Stockman Chief Curator, Solomon R. Guggenheim Museum | **ZACH LIEBERMAN** Artist; Researcher; Educator | **LIA CHAVEZ** Artist | **GARRY KASPAROV** Author, "Deep Thinking: Where Machine Intelligence Ends and Human Creativity Begins"; former World Chess Champion | **DAVID SIEGEL** Co-Chairman, Two Sigma Investments | **GARY MARCUS** Professor of Psychology and Neural Science, New York University | **KATE CRAWFORD** Co-Founder, AI Now Institute; Distinguished Research Professor, NYU; Principal Researcher, Microsoft Research Lab New York | **NICOLE EAGAN** CEO, Darktrace | **AMY WEBB** Founder, Future Today Institute; Professor, NYU Stern School of Business **STEWART BUTTERFIELD** Co-Founder and CEO, Slack | **ANGELA ANTONY** CEO, Scoutible | **STEVE GOODMAN** Founder and CEO, Restless Bandit | **FRIDA POLLI** Co-Founder and CEO, pymetrics | **HAMDI ULUKAYA** Founder and CEO, Chobani | **WILL GUIDARA** Restaurateur, Make it Nice | **AMY CHANG** Founder and CEO, Accompany | **RAS J. BARAKA** Mayor of Newark | **DANIEL DOCTOROFF** Chairman and CEO, Sidewalk Labs | **PAM ELARDO** Deputy Commissioner, Bureau of Wastewater Treatment, NYC Environmental Protection | **RICHARD FLORIDA** Director, Martin Prosperity Institute at the University of Toronto; Global Research Professor, New York University; Co-Founder and Senior Editor, The Atlantic City Lab | **DANIEL LIBESKIND** Founder and Principal Architect, Studio Libeskind | **JEFF ROSENTHAL** Co-Founder, Summit | **STEPHEN M. ROSS** Chairman and Founder, Related Companies | **TONI GRIFFIN** Founder of Urban Planning, the American City; Professor in Practice, Harvard Graduate School of Design | **ROBERT AND CORTNEY NOVOGRATZ** Designers and Parents of 7; Principals, The Novogratz | **MARCELA SAPONE** Co-Founder and CEO, Hello Alfred | **JIM O'CONNOR** CEO, Trident Lakes Corporation | **JOAQUIN RUIZ** Vice President for Innovation, Thomas R. Brown Chair; Director, Biosphere 2, University of Arizona | **NOA SANTOS** Founder and CEO, HOMEPOLISH | **SHANNA TELLERMAN** Founder and CEO, Modsy | **MORGAN DEBAUN** Founder and CEO, Blavity, Inc. | **JULIE LYTHCOTT-HAIMS** Author, "How to Raise an Adult" and "Real American" | **TINA TCHEN** Partner, Buckley Sandler; a leader of the Time's Up Legal Defense Fund | **TRACY CHOU** Founding Advisor, Project Include | **AMANDA CHANTAL BACON** Founder, Moon Juice | **SAMANTHA BOARDMAN** Founder, PositivePrescription.com **TATA HARPER** Co-Founder and Co-CEO, Tata Harper Skincare | **MARCIA KILGORE** Founder, Bliss, Soap & Glory, FitFlop, Soaper Duper and Beauty Pie | **MAYE MUSK** Model, Dietitian, Mother, Grandmother and Entrepreneur | **HEIDI ZAK** Co-Founder and Co-CEO, ThirdLove

Buy Tickets: **FOEFESTIVAL.WSJ.COM**

Festival Proudly Sponsored By: accenture

Festival Day Proudly Sponsored By: MetLifeFoundation

Festival Track Proudly Sponsored By: Great Clips® START-UP NATION CENTRAL

© 2018 Dow Jones & Co., Inc. All rights reserved. 6DJ6412

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

BARRON'S • SPECIAL SUPPLEMENT

RANK 2018	RANK 2017	Name	Firm	City	CUSTOMERS: Individuals (Up to $1mil)	High Net Worth ($1-10 mil)	Ultrahigh Net Worth ($10 mil+)	Found-ations	Endow-ments	Institu-tional	Total Assets ($mil)	Typical Account ($mil)	Typical Net Worth ($mil)
5.	N	Jeffrey Kolod	Edward Jones	Eliot	•	•					206	0.27	0.37
6.	N	Thomas Gower III	UBS Financial Svcs	Bangor	•	•	•				450	1.6	2
MARYLAND													
1.	1.	Robert Scherer	Graystone Consulting	Potomac		•	•	•	•	•	$8,300	$25	$25
2.	3.	Kent Pearce	Merrill Lynch Wealth Mgmt	Towson		•	•	•			1,491	7	20
3.	5.	Greg Hurlbrink	Morgan Stanley Wealth Mgmt	Baltimore	•	•	•	•	•	•	1,303	5.5	15
4.	4.	Barry Garber	Alex.Brown|Raymond James	Baltimore		•	•	•	•	•	2,881	15	25
5.	6.	Joseph Jacques	Jacques Financial	Rockville	•	•					755	0.8	2
6.	8.	E. Geoffrey Sella	SPC Financial / Raymond James	Rockville	•	•					741	0.79	1.57
7.	13.	Jeff Leventhal	HighTower Bethesda at HighTower	Bethesda	•	•	•				925	3	7.5
8.	11.	Larry Boggs	Wells Fargo Advisors	Cumberland	•	•	•		•	•	1,127	3	5
9.	9.	Ross Charkatz	Graystone Consulting	Potomac	•	•	•	•	•	•	8,312	25	25
10.	N	James Meek	Graystone Consulting	Baltimore		•	•	•	•	•	1,459	32	35
11.	10.	Peter Dunne	Merrill Lynch Wealth Mgmt	Bethesda		•	•	•	•	•	4,362	30	40
12.	15.	Ann Marie Etergino	RBC Wealth Mgmt	Chevy Chase	•	•	•	•	•	•	1,067	7	15
13.	7.	Brett Clifford	Morgan Stanley PWM	Baltimore		•	•				1,195	20	35
14.	12.	Gregory Baker	Merrill Lynch Wealth Mgmt	Bethesda	•	•	•				992	3	4
15.	19.	Jonathan Murray	UBS Financial Svcs	Hunt Valley	•	•	•		•	•	1,177	1.5	3
16.	20.	Robert Collins	Collins Investment Group	Bethesda	•	•	•				805	2	5
17.	24.	Peter Maller	Maller Wealth Advisors	Hunt Valley	•	•				•	510	2.5	5
18.	23.	Richard Wagener	Wagener-Lee / Raymond James	Columbia	•	•	•	•		•	712	1.7	3.7
19.	14.	Ronald Fishbein	Morgan Stanley Wealth Mgmt	Rockville	•	•	•				890	2.5	3.5
20.	N	Patricia Baum	RBC Wealth Mgmt	Annapolis		•	•	•		•	1,363	2	8
21.	N	Arun Sardana	UBS Financial Svcs	Bethesda				•	•	•	1,675	44	50
22.	18.	John Lynch	Lynch Retirement / Raymond James	Fulton	•	•					554	1.5	2
23.	N	Frank Dingle	RBC Wealth Mgmt	Baltimore	•	•	•				794	1.5	3.5
24.	17.	Brian Kroneberger	RBC Wealth Mgmt	Hunt Valley	•	•	•			•	950	3	6
MASSACHUSETTS													
1.	1.	Greg Miller	Wellesley Asset Mgmt	Wellesley	•	•	•			•	$2,736	$2	$5
2.	2.	James Atwood	Merrill Lynch PBIG	Boston		•	•				4,452	50	100
3.	3.	Peter Princi	Graystone Consulting	Boston		•	•	•	•	•	5,417	7.5	20
4.	5.	Raj Sharma	Merrill Lynch PBIG	Boston			•	•			8,553	10	15
5.	4.	Richard Connolly	Morgan Stanley PWM	Boston	•	•	•	•	•	•	7,722	15	25
6.	7.	Susan Kaplan	Kaplan Financial Svcs	Newton		•	•				1,769	3.5	11
7.	N	Kevin Grimes	Grimes	Westborough	•	•	•				2,290	3	10
8.	14.	Dan Wiener	Adviser Investments	Newton	•	•	•				5,361	1.41	1.3
9.	8.	Brian Strachan	Morgan Stanley PWM	Boston		•	•	•			1,911	7	10
10.	9.	Victor Livingstone	Morgan Stanley PWM	Boston		•	•	•	•	•	4,057	25	100
11.	12.	Thomas Bartholomew	Bartholomew	Worcester	•	•	•			•	1,900	1.2	3
12.	15.	Charles S. Bean III	Heritage Financial Svcs	Westwood	•	•	•				1,296	2.5	4
13.	10.	William Sullivan	UBS Financial Svcs	Boston		•	•			•	2,040	10	25
14.	N	John Lechner	Morgan Stanley Wealth Mgmt	Boston		•	•				2,549	12.96	25
15.	23.	Stephen Kelliher	Morgan Stanley Wealth Mgmt	Norwell	•	•	•	•	•	•	3,306	10	10
16.	13.	Raju Pathak	Morgan Stanley Wealth Mgmt	Boston	•	•	•				1,189	8	20
17.	18.	John Spooner	Morgan Stanley Wealth Mgmt	Boston	•	•	•				1,075	1	5
18.	11.	Devin Condron	Morgan Stanley PWM	Boston		•	•				1,253	25	50
19.	29.	Mary Mullin	Merrill Lynch Wealth Mgmt	Boston		•	•				1,644	5	10
20.	20.	Peter Noonan	J.P. Morgan Securities	Boston	•	•	•				2,001	15	75
21.	22.	Ira Rapaport	New England Private Wealth Adv	Wellesley		•	•			•	1,724	6.6	9
22.	17.	David Javaheri	Morgan Stanley Wealth Mgmt	Wellesley		•	•				1,142	5	12
23.	16.	Daniel Wilson	Ameriprise Financial	Auburndale	•	•					1,571	0.34	3
24.	21.	Gary McGuirk	Merrill Lynch PBIG	Boston		•	•				2,522	28	55
25.	26.	Richard Miller	Ameriprise Financial	Wellesley	•	•	•			•	926	0.71	1.4
26.	25.	James Geraghty	Morgan Stanley PWM	Boston		•	•	•			1,018	60	80
27.	27.	Paul McCauley	Merrill Lynch PBIG	Boston		•	•				2,522	28	55
28.	N	Timothy Connolly	UBS Financial Svcs	Boston	•	•	•	•			866	10	15
29.	30.	Sam Hodgson	Merrill Lynch Wealth Mgmt	Boston		•	•	•			758	5	8
30.	N	James Fucigna	Morgan Stanley Wealth Mgmt	Boston	•	•	•			•	1,403	5	10
MICHIGAN													
1.	1.	Charles Zhang	Zhang Financial	Portage	•	•	•				$3,292	$2	$3
2.	2.	David Kudla	Mainstay Capital Mangement	Grand Blanc	•	•	•			•	2,214	0.7	4
3.	3.	Philip Appel	Merrill Lynch Wealth Mgmt	Bloomfield Hills		•	•				2,414	4	6
4.	6.	Dana Locniskar	Merrill Lynch PBIG	Troy		•	•				1,914	13	25
5.	4.	Gary Ran	Telemus Capital	Southfield	•	•	•				2,525	4.55	8
6.	8.	Brian Brice	Graystone Consulting	Birmingham	•	•	•	•	•	•	4,794	5	10
7.	9.	Kevin VanDyke	Bloomfield Hills Financial	Bloomfield Hills	•	•				•	1,291	2	4
8.	14.	Jeffrey Fratarcangeli	Fratarcangeli Wealth Mgmt	Birmingham	•	•	•			•	950	5	10
9.	10.	Timothy Brice	Graystone Consulting	Birmingham	•	•	•	•	•	•	4,736	5	10
10.	26.	Leon LaBrecque	LJPR Financial Advisors	Troy	•	•					788	0.66	1
11.	12.	William Messner	Graystone Consulting	Birmingham	•	•	•	•	•	•	6,351	10	5
12.	16.	David Brazen	Ameriprise Financial	Troy	•	•					1,817	2	3
13.	13.	Abraham Post	Merrill Lynch Wealth Mgmt	Troy		•	•			•	780	5	10
14.	22.	Frank Migliazzo	Merrill Lynch PBIG	Troy		•	•	•	•	•	1,285	15	25
15.	15.	Melissa Spickler	Merrill Lynch Wealth Mgmt	Bloomfield Hills	•	•	•			•	1,042	2	5
16.	19.	Richard Bloom	Bloom Asset Mgmt	Farmington Hills	•	•					1,160	0.6	1
17.	N	Scott Bernecker	Merrill Lynch Wealth Mgmt	Grand Rapids	•	•	•	•	•	•	5,766	10	15
18.	28.	Frank Moore	Vintage Fin Svcs / Raymond James	Ann Arbor	•	•					570	1.2	2
19.	20.	Marie Vanerian	Merrill Lynch Wealth Mgmt	Troy	•	•	•		•	•	1,867	20	20
20.	17.	Leo Stevenson	Merrill Lynch Wealth Mgmt	Wyandotte	•	•	•				650	1.5	2
21.	30.	Sherri Stephens	Raymond James	Flint	•	•	•				542	1.11	3
22.	23.	Thomas Jacobs	Morgan Stanley Wealth Mgmt	Bloomfield Hills	•	•	•	•		•	638	2.5	7
23.	N	Michael Rosloniec	Graystone Consulting	Grand Rapids			•	•	•	•	5,205	115	120
24.	29.	Jon Vigi	UBS Financial Svcs	Birmingham	•	•	•	•	•	•	807	25	50
25.	N	William Mackay	Merrill Lynch Wealth Mgmt	Grand Rapids	•	•	•	•	•	•	5,766	10	15
26.	27.	Bruce Johnson	CapTrust	Holand	•	•	•			•	988	3	10
27.	25.	Eric Furlotte	Ameriprise Financial	Farmington Hills	•	•	•				1,817	2	3
28.	N	Todd Sanford	Sanford Fin Svcs / Raymond James	Portage	•	•				•	754	1	1.5
29.	N	Phil Serra	Merrill Lynch Wealth Mgmt	Farmington Hills		•				•	1,563	3	6
30.	N	Charles Nemes	Raymond James	Novi	•	•	•			•	540	2.5	5
MINNESOTA													
1.	2.	Richard S. Brown	JNBA Financial Advisors	Minneapolis	•	•	•				$1,400	$1.5	$2
2.	5.	Brad Wheelock	RBC Wealth Mgmt	Saint Cloud	•	•	•	•	•		1,400	2.5	5
3.	3.	Christina Boyd	Merrill Lynch Wealth Mgmt	Wayzata	•	•	•			•	1,209	6	15
4.	1.	Peter Eckerline	Merrill Lynch Wealth Mgmt	Wayzata	•	•	•				2,138	5	15
5.	9.	Rob Nelson	NorthRock Partners	Minneapolis	•	•	•				1,100	10	20
6.	10.	Ben Marks	Marks Group Wealth Mgmt	Minnetonka	•	•	•	•		•	1,012	2	5
7.	4.	Thomas Drees	Morgan Stanley Wealth Mgmt	Bloomington	•	•	•				715	8	15
8.	11.	Charlie Kelley	Compass Capital Mgmt.	Minneapolis		•	•	•		•	1,072	3	5
9.	15.	Judy Fredrickson	UBS Financial Svcs	Minneapolis	•	•	•				1,370	10	25
10.	8.	Mark Joern	Ameriprise Financial	Minneapolis	•	•	•				800	1.25	2.5
11.	23.	Jacob Creydt	UBS Financial Svcs	Bloomington	•	•	•			•	776	3	5
12.	13.	Charles Major	UBS Financial Svcs	Minneapolis		•	•			•	1,563	10	20
13.	14.	Louis Close	UBS Financial Svcs	Minneapolis		•	•	•		•	1,563	10	20
14.	N	Randy Doroff	Ameriprise Financial	St. Louis Park	•	•					524	0.5	1
15.	17.	Royal Jaros	Ameriprise Financial	Apple Valley	•	•					724	0.85	2
16.	12.	Michael Swenson	Merrill Lynch PBIG	Wayzata		•	•	•	•		972	20	35
17.	N	David Olson	Morgan Stanley Wealth Mgmt	Rochester	•	•	•			•	769	3.5	7
18.	6.	Randall Ehleringer	Ameriprise Financial	Rochester	•	•	•				1,250	0.4	2
19.	18.	Theresa Ward	Merrill Lynch Wealth Mgmt	Bloomington		•	•				671	10	20
20.	16.	Scott Kauls	Merrill Lynch Wealth Mgmt	Minneapolis	•	•	•				574	2.5	3.5

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

BARRON'S • SPECIAL SUPPLEMENT

RANK 2018	RANK 2017	Name	Firm	City	CUSTOMERS: Individuals (Up to $1mil)	High Net Worth ($1-10 mil)	Ultrahigh Net Worth ($10 mil+)	Found-ations	Endow-ments	Institu-tional	Total Assets ($mil)	Typical Account ($mil)	Typical Net Worth ($mil)
21.	20.	Robert Swiller	UBS Financial Svcs	Minneapolis	●	●	●				585	2	10
22.	N	Walter Broughton	Merrill Lynch Wealth Mgmt	Minneapolis	●	●	●				506	5	10
23.	19.	William Sukup	LPL Financial Svcs	Woodbury	●	●	●				460	1	1.5
24.	22.	Derek Cherne	UBS Financial Svcs	Wayzata	●	●	●	●			526	3	10
MISSISSIPPI													
1.	1.	Michael Dowell	Morgan Stanley Wealth Mgmt	Jackson	●	●	●	●		●	$1,496	$4.5	$5
2.	2.	Arthur Finkelberg	Raymond James	Ridgeland	●	●	●				469	1.5	2
3.	3.	Bill Rush Mosby	UBS Financial Svcs	Jackson	●	●	●			●	876	1.5	4
4.	6.	Tim Medley	Medley & Brown	Jackson	●	●					681	1.2	2.4
5.	4.	Dudley Barnes	Barnes Pettey / Raymond James	Clarksdale	●	●	●			●	569	0.5	1
6.	5.	Lynn Phillips-Gaines	Phillips Financial / Raymond James	Starkville	●	●	●				248	0.8	2
MISSOURI													
1.	1.	Michael Jefferies	UBS Financial Svcs	Kansas City	●	●	●			●	$3,942	$1	$3
2.	2.	Michael Moeller	Wells Fargo Advisors	Chesterfield	●	●	●			●	1,405	3	4
3.	3.	Bud King	UBS Financial Svcs	St. Louis	●	●	●				993	8	20
4.	6.	Seth Murray	Ameriprise Financial	Springfield	●	●					1,817	0.55	2
5.	5.	James Feuerbacher	Merrill Lynch PBIG	St. Louis		●	●	●	●	●	3,312	25	35
6.	N	Dennis Williams	Morgan Stanley PWM	Kansas City	●	●	●				1,273	5	10
7.	N	Diane Compardo	Moneta Group	Clayton		●	●				985	12	17
8.	10.	James Hise	Merrill Lynch PBIG	Kansas City	●	●	●				1,120	15	18
9.	9.	Ron Penney	Ameriprise Financial	Springfield	●	●					1,817	0.55	2
10.	8.	Kathleen Youngerman	Morgan Stanley PWM	Chesterfield	●	●	●	●			327	10	20
11.	12.	Bradford Koeneman	Moneta Group	Clayton		●	●			●	600	7	10
12.	N	Barbara Archer	HighTower St. Louis at HighTower	St. Louis	●	●				●	1,103	2	4
13.	11.	Gordon Hamilton III	Morgan Stanley Wealth Mgmt	Kansas City	●	●					1,400	1	1
14.	4.	Robert Millner	Morgan Stanley Wealth Mgmt	Clayton	●	●	●				1,300	2	5
15.	13.	Thomas Burke	Ameriprise Financial	Saint Louis	●	●					1,061	0.8	2
16.	N	Mark Wilkins	UBS Financial Svcs	St. Louis		●	●				463	29	50
17.	14.	James Moore	Wells Fargo Advisors	Clayton	●	●	●	●		●	550	2	4
18.	15.	Brian Pultman	Wells Fargo Advisors	Saint Louis	●	●	●			●	605	2	3
MONTANA													
1.	1.	James B. Stack	Stack Financial Mgmt.	Whitefish	●	●	●				$1,213	$1.57	$5
2.	4.	John Hedge	Merrill Lynch Wealth Mgmt	Billings	●	●	●	●		●	1,796	5	7
3.	2.	William Royer	UBS Financial Svcs	Billings	●	●	●				894	3	7
4.	3.	Todd Vralsted	UBS Financial Svcs	Billings	●	●	●	●		●	894	3	7
5.	5.	Jared Losing	Ameriprise Financial	Missoula	●	●					500	0.26	1.5
6.	6.	Scott Knutson	Wells Fargo Advisors	Helena	●	●	●			●	382	1.6	6
NEBRASKA													
1.	3.	Jonathan Beukelman	UBS Financial Svcs	Lincoln		●	●	●		●	$1,360	$4	$20
2.	2.	Andrew Robinson	Morgan Stanley Wealth Mgmt	Omaha	●	●	●				1,275	8	20
3.	5.	Jason Dworak	UBS Financial Svcs	Lincoln		●	●			●	658	7.5	20
4.	6.	Richard Kelley	RBC Wealth Mgmt	Omaha	●	●	●	●		●	1,558	0.27	10
5.	4.	John "Buzz" Garlock	RBC Wealth Mgmt	Omaha	●	●	●	●	●	●	778	1.5	3
6.	N	Dale Christenson	UBS Financial Svcs	Omaha	●	●	●	●			933	1	2.5
NEVADA													
1.	1.	Randy Garcia	Investment Counsel	Las Vegas	●	●	●			●	$992	$4	$10
2.	6.	Deborah Danielson	Danielson Financial Group	Las Vegas	●	●	●				663	2	5
3.	5.	Andy Ferguson	Merrill Lynch Wealth Mgmt	Las Vegas		●	●	●			588	7	15
4.	N	Geoffrey Lee	Ameriprise Financial	Henderson	●	●	●				500	1	2
5.	4.	Nadine Faulis	Merrill Lynch Wealth Mgmt	Las Vegas	●	●	●				676	6	20
6.	N	James Small	UBS Financial Svcs	Las Vegas	●	●	●				291	1.45	4
NEW HAMPSHIRE													
1.	1.	John Habig	Morgan Stanley Wealth Mgmt	Portsmouth	●	●	●			●	$385	$1.5	$3
2.	4.	Robert Bonfiglio	Ameriprise Financial	Bedford	●	●	●				417	2	3
3.	5.	Brian Doyle	Wells Fargo Advisors	Hanover	●	●	●	●	●	●	670	4	7
4.	2.	Sean Doyle	Merrill Lynch Wealth Mgmt	Manchester	●	●				●	372	1.64	2.5
5.	N	Stephen Loughman	Wells Fargo Advisors	Hanover	●	●	●				455	3	7
6.	6.	Marc Chareth	Edward Jones	Milford	●	●					351	0.8	1
NEW JERSEY													
1.	1.	Gary Tantleff	UBS Financial Svcs	Warren		●	●				$4,367	$9.35	$10
2.	2.	David Weinerman	Morgan Stanley Wealth Mgmt	Florham Park	●	●	●				3,061	8	15
3.	4.	Daniel Schwartz	UBS Financial Svcs	Paramus		●	●				1,880	10	25
4.	3.	Michael Ricca	Morgan Stanley Wealth Mgmt	Florham Park	●	●	●				3,056	8	15
5.	8.	John Micera	RBC Wealth Mgmt	Florham Park	●	●	●			●	1,311	5	10
6.	7.	Mary Deatherage	Morgan Stanley PWM	Little Falls		●	●			●	2,141	10	25
7.	5.	Frank Seminara	Morgan Stanley PWM	Florham Park		●	●				1,248	10	20
8.	6.	L. Marc Shegoski	UBS Financial Svcs	Princeton		●	●	●		●	22,326	21	89
9.	9.	Mark Lippman	Wells Fargo Advisors	Linwood	●	●	●			●	1,499	2.5	4
10.	N	Christopher Cordaro	RegentAtlantic	Morristown		●	●				3,670	2.8	7.5
11.	N	Bruce Pomerantz	Wells Fargo Advisors	Short Hills	●	●	●				1,555	7	15
12.	14.	Thomas Meyer	Meyer Capital Group	Marlton	●	●	●				996	1.5	3
13.	10.	Christopher Cook	Merrill Lynch Wealth Mgmt	Florham Park	●	●	●				1,880	5	10
14.	13.	Elliott Kugel	Merrill Lynch Wealth Mgmt	Bridgewater	●	●	●				1,422	2.5	4
15.	12.	Mark Tobias	Morgan Stanley Wealth Mgmt	New Brunswick	●	●	●				1,000	4	10
16.	34.	James McLaughlin	Princeton Wealth of Raymond James	Princeton	●	●	●			●	1,491	5	10
17.	23.	Mark Fendrick	UBS Financial Svcs	Mt. Laurel	●	●	●				840	4	8
18.	18.	Stephen Pollard	Merrill Lynch Wealth Mgmt	Princeton		●	●				1,611	5	9
19.	39.	James Maltese	Merrill Lynch Wealth Mgmt	Iselin	●	●	●				1,439	2	5
20.	27.	Andy Schwartz	Bleakley Financial Group	Fairfield	●	●				●	1,247	2.5	3.5
21.	20.	Bruce Gsell	Merrill Lynch Wealth Mgmt	Iselin	●	●	●			●	11,585	2.5	5
22.	22.	Jack Burke	Merrill Lynch Wealth Mgmt	Florham park	●	●	●	●	●	●	4,102	6	15
23.	35.	Gregory Makowski	CFS Investment Advisory Svcs	Totowa	●	●	●			●	1,200	2	5
24.	15.	Richard Udine	Morgan Stanley Wealth Mgmt	Mount Laurel	●	●	●				871	2.8	4
25.	38.	Harris Nydick	CFS Investment Advisory Svcs	Totowa	●	●	●			●	1,200	2	5
26.	N	Christopher Zangari	UBS Financial Svcs	Westfield	●	●	●			●	2,717	5	10
27.	24.	Andrew Liss	Merrill Lynch Wealth Mgmt	Short Hills		●	●			●	697	4	7
28.	31.	Bruce Barth	Merrill Lynch Wealth Mgmt	Short Hills	●	●	●				1,085	2	3
29.	25.	Goran Bojovski	Merrill Lynch Wealth Mgmt	Iselin	●	●	●			●	11,585	2.5	5
30.	11.	Joseph Matina	UBS Financial Svcs	Short Hills	●	●	●				1,044	5	10
31.	25.	Michael Bonevento	Ameriprise Financial	Wall	●	●					1,045	2	7.5
32.	28.	Patricia Bell	Merrill Lynch Wealth Mgmt	Short Hills	●	●	●				614	3	5
33.	32.	Christine McGinley	UBS Financial Svcs	Mt. Laurel	●	●	●			●	766	3	6
34.	41.	Ken Schapiro	Condor Capital Mgmt	Martinsville	●	●	●			●	973	1.34	3.35
35.	19.	Anthony Valente	Morgan Stanley Wealth Mgmt	Shrewsbury	●	●	●			●	962	0.5	1.5
36.	33.	Francis Bitterly	Morgan Stanley Wealth Mgmt	Red Bank	●	●	●				535	2.7	7
37.	N	Alan Spierer	UBS Financial Svcs	Westfield	●	●	●			●	2,717	5	10
38.	47.	Michael Pron	Merrill Lynch Wealth Mgmt	Princeton	●	●	●			●	1,295	2.5	5
39.	N	William Munn	Ameriprise Financial	Paramus	●	●					605	0.75	3
40.	30.	David Finkel	Merrill Lynch Wealth Mgmt	Egg Harbor Twp	●	●	●			●	778	4	6
41.	46.	Neil McPeak	Wells Fargo Advisors	Linwood	●	●	●			●	1,080	1.5	5
42.	29.	Stewart Massey	Massey Quick Simon	Morristown		●	●	●			2,225	10	15
43.	40.	Charles Malamut	Morgan Stanley Wealth Mgmt	Northfield	●	●	●	●	●	●	701	3	7.5
44.	42.	John Hudspeth	Merrill Lynch Wealth Mgmt	Mount Laurel	●	●	●	●	●	●	803	3	6
45.	N	James R. Barry	Merrill Lynch Wealth Mgmt	Princeton	●	●	●		●	●	1,402	2	7
45.	36.	Rick Kirkinis	UBS Financial Svcs	Florham Park	●	●	●				1,178	5	10
47.	21.	Lawrence Catena	Merrill Lynch PBIG	Florham Park		●	●				763	25	50

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

BARRON'S • SPECIAL SUPPLEMENT

RANK 2018	RANK 2017	Name	Firm	City	CUSTOMERS: Individuals (Up to $1mil)	High Net Worth ($1-10 mil)	Ultrahigh Net Worth ($10 mil+)	Found-ations	Endow-ments	Institu-tional	Total Assets ($mil)	Typical Account ($mil)	Typical Net Worth ($mil)
48.	17.	Mark Lichtenfeld	UBS Financial Svcs	Florham Park	●	●	●				989	7	11
NEW MEXICO													
1.	2.	John Moore	John Moore / Raymond James	Albuquerque	●	●	●				$513	$1.5	$3
2.	6.	Michael Blackwell	Morgan Stanley Wealth Mgmt	Albuquerque	●	●	●				529	1.5	2
3.	4.	Nathan Armstrong	Merrill Lynch PBIG	Albuquerque		●	●	●	●	●	882	25	50
4.	3.	C. B. "Pete" Edmonds	UBS Financial Svcs	Albuquerque	●	●				●	3,261	25	100
5.	1.	Charles Reardon	Morgan Stanley Wealth Mgmt	Albuquerque	●	●	●			●	737	1.5	3
6.	5.	Michael Stevens	Merrill Lynch Wealth Mgmt	Albuquerque	●	●	●	●	●		510	2	3.5
NEW YORK													
1.	1.	Lyon Polk	Morgan Stanley PWM	New York		●	●	●	●		$10,579	$50	$100
2.	2.	Brian Pfeifler	Morgan Stanley PWM	New York		●	●	●	●		10,175	50	100
3.	3.	Shelley Bergman	Morgan Stanley Wealth Mgmt	New York		●	●	●	●	●	5,602	15	50
4.	4.	Richard Saperstein	Treasury Partners	New York		●	●			●	9,961	10	15
5.	7.	Kevin Peters	Morgan Stanley Wealth Mgmt	Purchase		●	●			●	6,850	15.5	42
6.	10.	Seth Finkel	Neuberger Berman	New York		●	●			●	2,922	10	20
7.	5.	Ron Basu	Morgan Stanley PWM	New York			●	●		●	3,950	10	100
8.	8.	Robert Clarfeld	Clarfeld Financial Advisors	Tarrytown		●	●	●			7,300	20	80
9.	6.	Scott Wilson	Morgan Stanley PWM	New York	●	●	●				5,794	7.5	10
10.	N	Ron Vinder	Morgan Stanley PWM	New York			●	●	●		5,548	50	100
11.	9.	Robert Stolar	Morgan Stanley PWM	New York			●	●	●		2,876	50	75
12.	N	Ed Moldaver	Stifel	New York	●	●	●				5,500	10	20
13.	13.	Martin Halbfinger	UBS Financial Svcs	New York		●	●	●		●	3,621	20	35
14.	N	Stephanie Stiefel	Neuberger Berman	New York		●	●			●	1,974	15	45
15.	19.	William Peterson	Neuberger Berman	New York		●	●				1,763	6.5	13
16.	23.	Paul Tramontano	First Republic Inv Mgmt	New York			●	●			8,238	50	250
17.	27.	Josh Gully	Morgan Stanley PWM	New York		●	●	●	●		6,744	50	75
18.	18.	Thomas J. Keegan	Merrill Lynch PBIG	New York		●	●			●	13,925	32	40
19.	11.	Gregg Fisher	Gerstein Fisher	New York	●	●	●	●	●	●	4,622	1.79	3.95
20.	N	Richard Zinman	Morgan Stanley PWM	New York	●	●	●				3,149	20	75
21.	14.	Noel Weil	Merrill Lynch PBIG	New York		●	●				9,901	15	30
22.	15.	Scott Stackman	UBS Financial Svcs	New York		●	●	●	●		3,520	50	100
23.	50.	Holly Newman Kroft	Neuberger Berman	New York		●	●	●	●		1,700	8	15
24.	12.	Gus Roessler	Morgan Stanley PWM	New York			●	●	●		2,701	85	100
25.	29.	Jason Katz	UBS Financial Svcs	New York	●	●	●				2,328	10	15
26.	21.	Jeffrey Kobernick	UBS Financial Svcs	New York		●	●	●			7,063	31	50
27.	22.	Robert Sechan	UBS Financial Svcs	New York		●	●	●			7,063	31	50
28.	20.	John Olson	Merrill Lynch Wealth Mgmt	New York		●	●				1,951	8	15
29.	25.	Leigh Cohen	Merrill Lynch PBIG	New York		●	●				9,901	15	30
30.	24.	Shawn Rubin	Morgan Stanley PWM	New York		●	●				2,421	10	25
31.	35.	Deborah Montaperto	Morgan Stanley PWM	New York		●	●	●	●		10,579	50	100
32.	30.	Mark Donohue	Morgan Stanley Wealth Mgmt	New York	●	●	●	●		●	2,426	20	40
33.	34.	Ira Mark	RBC Wealth Mgmt	New York		●	●			●	3,300	10	25
34.	31.	Evan Steinberg	Morgan Stanley Wealth Mgmt	New York		●	●	●		●	1,872	8	12
35.	46.	Gerard Klingman	Klingman & Assoc / Raymond James	New York	●	●	●				1,965	10	15
36.	26.	Jonathan Kass	Merrill Lynch Wealth Mgmt	New York	●	●	●			●	5,416	10	25
37.	40.	Peter Svarre	Merrill Lynch Wealth Mgmt	New York		●	●				1,735	12	30
38.	62.	Joshua Malkin	Morgan Stanley PWM	New York		●	●				1,600	10	25
39.	N	Sarat Sethi	DCLA	New York		●	●				5,033	4.07	15
40.	49.	David Bieber	Morgan Stanley PWM	New York		●	●	●			1,765	20	50
41.	44.	Michael Poppo	UBS Financial Svcs	New York		●	●	●	●	●	1,318	8	12
42.	86.	Glenn Degenaars	First Republic Inv Mgmt	New York		●	●		●	●	10,146	10	15
43.	43.	Jonathan Kuttin	Ameriprise Financial	Melville	●	●	●				1,578	0.95	3.9
44.	60.	Steven Grill	Alex.Brown|Raymond James	New York		●	●				12,200	15	20
45.	63.	Bill Grous	Alex.Brown|Raymond James	New York		●	●				12,200	15	20
46.	36.	Joseph Karas	Morgan Stanley Wealth Mgmt	New York		●	●	●	●	●	2,139	20	30
47.	54.	Virginia Guy	Neuberger Berman	New York		●	●	●		●	1,200	7	15
48.	39.	Thomas Sullivan	Merrill Lynch Wealth Mgmt	Garden City	●	●	●				2,220	3	7
49.	28.	Russell Rabito	UBS Financial Svcs	New York	●	●	●				3,916	6.4	7
50.	51.	Lewis Altfest	Altfest Personal Wealth Mgmt	New York	●	●	●				1,241	2	5
51.	N	Bruce Burrows	Morgan Stanley Wealth Mgmt	Garden City	●	●	●			●	11,544	2	5
52.	38.	John Barrett	Merrill Lynch Wealth Mgmt	New York		●	●	●	●	●	1,784	30	75
53.	64.	Frank Marzano	GM Advisory Group	Melville	●	●	●				1,316	8	30
54.	41.	Edward Nolan	Merrill Lynch Wealth Mgmt	Albany		●	●	●	●		2,691	25	40
55.	66.	Fotios Piniros	Morgan Stanley PWM	New York		●	●	●			3,749	25	100
56.	32.	Andrew Perry	UBS Financial Svcs	New York		●	●			●	6,417	20	30
57.	61.	P.J. Schwarz	Morgan Stanley PWM	New York		●	●	●			1,686	20	40
58.	42.	John Sargent	Morgan Stanley PWM	New York	●	●	●				1,511	20	30
59.	71.	Theodore Serure	J.P. Morgan Securities	New York	●	●	●	●		●	1,630	10	50
60.	33.	Steve Condos	Morgan Stanley PWM	New York	●	●	●				4,685	10	20
61.	N	Robert Fomon	Morgan Stanley PWM	New York		●	●	●			1,474	20	40
62.	73.	Doug Mellert	Merrill Lynch Wealth Mgmt	New York	●	●	●	●	●	●	8,713	10	25
63.	16.	Douglas Braff	UBS Financial Svcs	New York	●	●	●				3,225	5	20
64.	76.	Todd DiScala	Merrill Lynch Wealth Mgmt	New York	●	●	●	●	●	●	8,713	10	25
65.	68.	Daniel O'Connell	Merrill Lynch Wealth Mgmt	Garden City		●	●	●	●	●	2,297	15	30
66.	94.	Jim Detterick	Graystone Consulting	New York		●	●			●	6,335	5	10
67.	N	Anthony Dertouzos	Morgan Stanley PWM	New York	●	●	●				3,149	20	75
68.	84.	Neil Mitchell	Morgan Stanley Wealth Mgmt	New York		●	●	●		●	5,531	10	15
69.	74.	Jordan Waxman	HSW Advisors at HighTower	New York		●	●				2,200	25	50
70.	N	Anna Winderbaum	Morgan Stanley PWM	New York		●	●				2,299	25	45
71.	45.	Todd Perry	UBS Financial Svcs	New York		●	●			●	6,417	20	30
72.	83.	Michael Bapis	Bapis Group at HighTower Adv	New York	●	●	●	●		●	1,194	22	50
73.	N	Joseph Lerner	Morgan Stanley PWM	New York		●	●				2,287	25	45
74.	88.	David Magrone	Merrill Lynch PBIG	New York		●	●				1,897	30	50
75.	17.	Robert Waldele	Merrill Lynch Wealth Mgmt	New York		●	●	●	●		2,659	18	30
76.	109.	Michael Chrys	Merrill Lynch Wealth Mgmt	Latham	●	●	●	●		●	3,437	20	25
77.	82.	Stanley Heilbronn	Merrill Lynch Wealth Mgmt	New York		●	●				4,142	4	10
78.	99.	Andrew P. Kraus	Merrill Lynch PBIG	New York		●	●			●	13,925	32	40
79.	79.	Peter Rukeyser	UBS Financial Svcs	New York		●	●	●	●		2,325	40	50
80.	9.*	William King	Merrill Lynch Wealth Mgmt	New York		●	●	●	●	●	1,483	8	22
80.	79.	Alexander Williams	UBS Financial Svcs	New York		●	●	●	●		2,325	40	50
82.	85.	Rod Aronson	Morgan Stanley PWM	New York		●	●	●		●	1,616	25	35
83.	48.	Ben Sax	Merrill Lynch PBIG	New York		●	●				4,110	30	50
84.	102.	Alyssa Moeder	Merrill Lynch PBIG	New York		●	●		●		5,904	25	100
85.	37.	David Beyer	Morgan Stanley Wealth Mgmt	New York	●	●	●				1,563	8	25
86.	75.	Paul Selvin	Merrill Lynch Wealth Mgmt	New york	●	●	●		●	●	2,443	5.2	15
87.	56.	Eric Bodner	Merrill Lynch PBIG	New York		●	●				4,110	30	50
88.	103.	Richard Salvino	Merrill Lynch PBIG	New York		●	●		●		5,904	25	100
89.	89.	Louise Gunderson	UBS Financial Svcs	New York	●	●	●				780	4	12
90.	97.	William Einstein	UBS Financial Svcs	New York	●	●	●				1,533	5	10
91.	87.	Vishal Bakshi	Merrill Lynch PBIG	New York		●	●				1,404	75	200
92.	81.	Jeffrey Gerson	Morgan Stanley Wealth Mgmt	New York	●	●	●				1,356	5	10
93.	90.	W. Corby May	Merrill Lynch Wealth Mgmt	Garden City		●	●			●	1,725	7.5	17
94.	N	Leo Marzen	Bridgewater Advisors Inc	New York	●	●	●				1,286	3	6
95.	N	Jason Babb	First Republic Inv Mgmt	New York	●	●	●				1,212	4	10
96.	91.	Robert Dyer	Merrill Lynch PBIG	New York		●	●				1,022	40	65
97.	65.	Erna Morgan McReynolds	Morgan Stanley Wealth Mgmt	Oneonta	●	●				●	908	3	5
98.	N	Rick Suarez	Clarfeld Financial Advisors	Tarrytown		●	●	●			7,300	20	80
99.	78.	Andrew Hart	Morgan Stanley PWM	New York		●	●	●			3,739	25	100
100.	59.	Marc Fischer	Graystone Consulting	Rochester		●	●	●	●	●	1,840	40	40
101.	105.	Neal Fiore	Alex.Brown|Raymond James	New York	●	●	●	●	●		1,950	50	200
102.	96.	Peter Arbes	Neuberger Berman	New York		●	●	●			725	3.5	8

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

BARRON'S • SPECIAL SUPPLEMENT

RANK 2018	RANK 2017	Name	Firm	City	CUSTOMERS: Individuals (Up to $1mil)	High Net Worth ($1-10 mil)	Ultrahigh Net Worth ($10 mil+)	Found-ations	Endow-ments	Institu-tional	Total Assets ($mil)	Typical Account ($mil)	Typical Net Worth ($mil)
103.	92.	Lawrence Liebers	Merrill Lynch Wealth Mgmt	New York		•	•			•	1,374	13	25
104.	115.	Harold Elish	UBS Financial Svcs	New York	•	•	•		•		1,279	5	8
105.	110.	Todd Silaika	Merrill Lynch Wealth Mgmt	Clifton Park		•	•				1,085	2.5	4
106.	N	Brian Bennett	UBS Financial Svcs	New York	•	•	•	•		•	630	3	10
107.	117.	Glenn Arthurs	UBS Financial Svcs	Buffalo	•	•	•			•	2,072	3	6
108.	N	Eric Propper, CFA	CIBC Atlantic Trust PWM	New York		•	•	•		•	6,252	10.54	30
109.	104.	Frank J. Sabia	UBS Financial Svcs	White Plains	•	•	•			•	3,848	5	15
110.	77.	Susan Kingsolver	Morgan Stanley PWM	New York	•	•	•				1,117	20	75
111.	107.	Jacqueline Willens	UBS Financial Svcs	New York	•	•	•				866	5	10
112.	118.	Joseph Eisler	Morgan Stanley PWM	New York		•	•	•	•		1,860	30	70
113.	95.	Michael Siden	Morgan Stanley Wealth Mgmt	New York	•	•	•	•		•	882	17	45
114.	72.	William Cafero	RCL Advisors	New York	•	•	•				1,664	10.5	22
115.	N	Ryan Lewis	Morgan Stanley Wealth Mgmt	New York		•	•				2,592	15	30
116.	101.	Eugene Schatz	Morgan Stanley Wealth Mgmt	New York		•	•		•		5,162	25	50
117.	108.	Lawrence Fields	Tocqueville Asset Mgmt	New York		•	•			•	1,627	10	15
118.	55.	Ken Witover	UBS Financial Svcs	New York		•	•				2,149	30	50
119.	114.	David Schwartz	FCE Group	Lake Success	•	•	•			•	1,422	3	4
120.	58.	Adam Rosenthal	UBS Financial Svcs	New York		•	•				2,149	30	50

*Florida.

NORTH CAROLINA

1.	1.	William Oliver	Wells Fargo Advisors	Charlotte		•	•				$1,187	$10	$20
2.	3.	Gregory Cash	Merrill Lynch PBIG	Charlotte	•	•	•				7,763	25	40
3.	4.	R. Mitchell Wickham	Merrill Lynch PBIG	Charlotte	•	•	•				7,763	25	40
4.	5.	Stephen Thomas	Linden Thomas	Charlotte	•	•	•	•	•	•	1,436	3.5	7
5.	2.	Larry Carroll	Carroll Financial Associates	Charlotte	•	•					714	1.25	1.5
6.	24.	Kathleen Malone	Wells Fargo Advisors	Charlotte		•	•				2,937	7	12
7.	7.	Patrick Rush	Triad Financial Advisors	Greensboro	•	•					584	0.88	1.6
8.	9.	Kelly Graves	Carroll Financial Associates	Charlotte	•	•	•				617	1.8	3
9.	12.	Lee Bryan III	Alex.Brown|Raymond James	Winston Salem		•	•	•	•	•	4,200	25	40
10.	N	John McCardell	Merrill Lynch Wealth Mgmt	Charlotte		•	•			•	3,140	5	10
11.	14.	Manish Mehta	UBS Financial Svcs	Chapel Hill	•	•	•			•	584	2.5	5
12.	6.	Chris Davis	Wells Fargo Advisors	Davidson	•	•	•				2,208	1.5	2.5
13.	8.	Sam Rankin	UBS Financial Svcs	Charlotte	•	•	•	•	•	•	915	1	5
14.	13.	Gary Gaulden	Ameriprise Financial	Durham	•	•	•				447	1.5	3
15.	N	Jason Zaks	Alex.Brown|Raymond James	Winston Salem		•	•	•	•	•	4,200	25	40
16.	18.	Thorne James	Merrill Lynch Wealth Mgmt	Raleigh	•	•	•				453	1.6	1.9
17.	21.	Rick Fisher	Fisher Wealth Mgmt	Burlington	•	•	•			•	524	1	2
18.	17.	Lee Morris	Graystone Consulting	Raleigh				•	•	•	2,520	40	60
19.	20.	Pamela Miles	Wells Fargo Advisors	North Wilkesboro	•	•	•	•			1,108	1.2	6
20.	23.	John Patterson	Carroll Financial	Charlotte	•	•	•				378	1.5	3.5
21.	19.	Kim Hoffman	Edward Jones	Wilson	•	•					362	1	2
22.	16.	Bill Spry	Alex.Brown / Raymond James	Winston-Salem		•	•	•	•	•	1,514	25	40
23.	25.	Mark Walker	Ameriprise Financial	Charlotte	•	•					825	1.25	2
24.	N	Robert Green	UBS Financial Svcs	Greensboro		•	•			•	593	2.5	4
25.	N	Michael Absher	Wells Fargo Advisors	Chapel Hill	•	•					342	1.3	3.5
26.	30.	Keith Norman	Merrill Lynch Wealth Mgmt	Winston-Salem	•	•					816	3	3.75
27.	29.	Steve Eubanks	UBS Financial Svcs	Raleigh		•	•				343	5.4	8
28.	N	Scott Young	Merrill Lynch Wealth Mgmt	Winston-Salem	•	•					816	3	3.75
29.	27.	Michael Lappin	UBS Financial Svcs	Raleigh		•	•				343	5.4	8
30.	N	Mark Fortier	Edward Jones	Zebulon	•	•	•				355	1	1

NORTH DAKOTA

1.	1.	Troy Nelson	Edward Jones	Bismarck	•	•	•				$586	$1.35	$3.6
2.	N	Joel Bird	Ameriprise Financial	Bismarck	•	•					437	0.25	1
3.	2.	Loren Melvie	Ameriprise Financial	Bismarck	•	•					1,579	0.5	1
4.	3.	Ronald Nomeland	Merrill Lynch Wealth Mgmt	Fargo	•	•				•	505	1.5	2.5
5.	4.	Greg Tschetter	Edward Jones	Minot	•	•					259	0.3	0.75
6.	N	Brien Krank	Raymond James	Fargo	•	•	•			•	265	1.5	3

OHIO

1.	1.	Valerie Newell	RiverPoint Capital Mgmt	Cincinnati	•	•	•				$2,647	$3.5	$7.5
2.	2.	David Singer	Merrill Lynch PBIG	Cincinnati		•	•				3,165	13	25
3.	4.	Michael Chasnoff	Truepoint Wealth Counsel	Cincinnati		•	•				2,673	5	8
4.	7.	Randy Carver	Raymond James	Mentor	•	•					1,306	1	1
5.	6.	Kevin Myeroff	NCA Financial Planners	Cleveland	•	•	•				1,500	2.5	3
6.	5.	David Ellis	UBS Financial Svcs	Cincinnati	•	•	•				1,605	6	8
7.	N	Rick Buoncore	MAI Capital Mgmt	Cleveland	•	•	•				4,555	10	25
8.	10.	Paul Carbetta	Ameriprise Financial	Worthington	•	•					3,415	0.55	1.65
9.	8.	John Henry	OBS Financial Svcs	Perrysburg	•	•				•	1,717	0.25	1
10.	12.	Tad Lawrence	UBS Financial Svcs	Cincinnati	•	•	•	•	•	•	7,047	10	15
11.	N	Dan Roe	Budros, Ruhlin & Roe	Columbus	•	•	•				2,374	4.8	6
12.	N	Peter Motta	Merrill Lynch PBIG	Columbus		•	•				3,031	10	50
13.	N	Richard Hale	Morgan Stanley Wealth Mgmt	Beavercreek	•	•	•			•	1,913	2	3.5
14.	29.	Stephen Fish	UBS Financial Svcs	Cincinnati	•	•	•				770	2	2
15.	9.	Brian Edwards	Morgan Stanley Wealth Mgmt	Columbus	•	•				•	786	3.5	10
16.	13.	Sidney Jones	Merrill Lynch Wealth Mgmt	Canfield	•	•	•			•	1,074	4	6
17.	15.	Joseph Chornyak Sr.	Chornyak & Associates	Columbus	•	•	•				1,000	2	4
18.	18.	Charles Dankworth	UBS Financial Svcs	New Albany		•	•				1,014	6	25
19.	17.	Linnell Sullivan	Merrill Lynch Wealth Mgmt	Cincinnati		•	•				1,131	5	10
20.	N	James Barsella	Wells Fargo Advisors	Hudson		•	•	•	•	•	5,826	10	25
21.	21.	Dean Trindle	Morgan Stanley Wealth Mgmt	Cincinnati	•	•	•				390	1	1.5
22.	N	Elizabeth Armitage	Merrill Lynch Wealth Mgmt	Cincinnati	•	•	•			•	2,716	1.5	5.56
23.	27.	Craig Findley	UBS Financial Svcs	Sylvania	•	•	•			•	2,014	5	10
24.	23.	Jeffrey Stewart	Morgan Stanley Wealth Mgmt	Dublin		•	•			•	835	5	10.5
25.	19.	Thomas Robertson	Morgan Stanley Wealth Mgmt	Columbus	•	•	•	•		•	3,607	2	5
26.	25.	William Grové	UBS Financial Svcs	Columbus	•	•	•			•	669	2	3
27.	28.	Kenneth Wise	UBS Financial Svcs	Sylvania	•	•	•			•	2,014	5	10
28.	24.	Daniel Torbeck	UBS Financial Svcs	Cincinnati	•	•	•				2,322	5	10
29.	N	Jennifer Hamant	Graystone Consulting	Columbus			•	•	•	•	5,138	115	200
30.	22.	Daniel Kiley	Retirement Corp of America	Cincinnati	•	•				•	540	1.5	2.25

OKLAHOMA

1.	2.	Matthew Monger	Merrill Lynch Wealth Mgmt	Tulsa	•	•	•			•	$727	$4	$5
2.	1.	Steve Jelley	Merrill Lynch Wealth Mgmt	Tulsa	•	•	•	•			870	4	10
3.	3.	Jeffrey Blumenthal	Wells Fargo Advisors	Oklahoma City	•	•	•		•	•	953	1.5	5
4.	4.	Michael Mazzei	Tulsa Wealth Adv / Raymond James	Tulsa	•	•	•			•	630	1.5	5
5.	5.	Donald Lehman	Merrill Lynch Wealth Mgmt	Tulsa	•	•	•			•	1,777	4.88	6
6.	6.	Matt R. Cain	Merrill Lynch Wealth Mgmt	Tulsa	•	•	•			•	1,777	4.88	6
7.	8.	Donald Jackson	UBS Financial Svcs	Tulsa	•	•					391	0.6	1
8.	10.	William Andrew	Edward Jones	Enid	•	•	•				294	0.7	1.5
9.	11.	Jim Eagleton	Wells Fargo Eagleton Brown	Tulsa	•	•	•	•		•	946	0.5	1
10.	N	Drew Williamson	Merrill Lynch Wealth Mgmt	Oklahoma City	•	•	•			•	447	5	10
11.	N	Carter Baumert	Merrill Lynch Wealth Mgmt	Oklahoma City	•	•	•			•	554	10	15
12.	7.	Mark Ingram	Merrill Lynch Wealth Mgmt	Tulsa	•	•	•			•	395	1.5	1.75

OREGON

1.	1.	Judith McGee	Raymond James	Portland	•	•					$540	$1	$3
2.	N	Jeffrey Yandle	First Republic Inv Mgmt	Portland		•	•	•			1,214	4	7
3.	N	Rebecca DeCesaro	First Republic Inv Mgmt	Portland		•	•		•	•	1,214	4.8	9
4.	7.	Glen Clemans	CGC Financial Svcs	Lake Oswego	•	•					854	0.6	0.85
5.	4.	Keith Sheppard	UBS Financial Svcs	Portland	•	•	•				542	1.2	2.2
6.	2.	James Wrenn	UBS Financial Svcs	Lake Oswego	•	•	•	•		•	1,618	3	7
7.	3.	James Beatty	UBS Financial Svcs	Portland	•	•	•	•			547	3.5	7.5

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

BARRON'S • SPECIAL SUPPLEMENT

RANK 2018	RANK 2017	Name	Firm	City	CUSTOMERS: Individuals (Up to $1mil)	High Net Worth ($1-10 mil)	Ultrahigh Net Worth ($10 mil+)	Found-ations	Endow-ments	Institu-tional	Total Assets ($mil)	Typical Account ($mil)	Typical Net Worth ($mil)
8.	5.	Josh Ulmer	Morgan Stanley Wealth Mgmt	Portland		•	•			•	1,106	25	25
9.	N	Cameron Cheek	UBS Financial Svcs	Portland	•	•	•				792	2.5	5
10.	10.	Robert Coussens	UBS Financial Svcs	Portland	•	•	•			•	843	3.5	5
11.	9.	Wayne von Borstel	von Borstel and Associates	The Dalles		•					355	1.3	2.1
12.	N	Edward Lang	UBS Financial Svcs	Portland	•	•	•			•	418	2.8	7.5
PENNSYLVANIA													
1.	2.	Peter Rohr	Merrill Lynch PBIG	Philadelphia		•	•				$4,033	$32	$100
2.	3.	Joshua Gross	Mill Creek Capital Advisors	Conshohocken		•	•	•	•	•	5,369	20	40
3.	1.	Grant Rawdin	Wescott Financial Advisory Group	Philadelphia	•	•	•	•		•	2,042	8	21
4.	5.	John Waldron	Waldron Private Wealth	Pittsburgh		•	•				1,644	10	20
5.	4.	Robert Fragasso	Fragasso Financial Advisors	Pittsburgh	•	•	•	•		•	1,309	0.87	1.75
6.	6.	James Meredith	Hefren-Tillotson	Pittsburgh	•	•	•			•	1,598	1	4.2
7.	N	Jim Martin	Morgan Stanley PWM	West Conshohocken		•	•	•		•	6,004	25	50
8.	12.	Patti Brennan	Key Financial	West Chester	•	•	•				842	1	2.5
9.	13.	John J. Parker, Sr.	Wells Fargo Advisors	Philadelphia	•	•	•			•	1,450	4	5
10.	9.	Anthony DiValerio	Morgan Stanley PWM	West Conshohocken		•	•	•			1,300	30	45
11.	17.	Jack Hafner	Wells Fargo Advisors	Radnor		•	•	•			1,350	25	25
12.	10.	James Rimmel	UBS Financial Svcs	Pittsburgh	•	•	•				1,224	2	5
13.	8.	Sean Kelly	Morgan Stanley PWM	West Conshohocken			•			•	1,776	40	50
14.	7.	Richard Corcoran	Morgan Stanley PWM	West Conshohocken			•			•	1,776	40	50
15.	11.	Jay Beaulieu	Wells Fargo Advisors	Radnor	•	•	•				2,240	7	10
16.	14.	Peter Strope	UBS Financial Svcs	Canonsburg	•	•	•				923	1.2	3
17.	28.	Eric Salmansohn	Morgan Stanley Wealth Mgmt	Philadelphia	•	•	•				1,305	3.5	10
18.	15.	Thomas Seiler	Raymond James	Newtown		•	•			•	945	6	20
19.	21.	David Eisen	UBS Financial Svcs	Philadelphia		•	•	•		•	11,687	50	50
20.	19.	John Solis-Cohen	Wells Fargo Advisors	Jenkintown	•	•	•			•	1,034	4	10
21.	22.	Charles Sessa	UBS Financial Svcs	Philadelphia		•	•	•		•	11,687	200	200
22.	31.	Mark Eskin	Janney Montgomery Scott	Philadelphia	•	•	•	•		•	1,438	3	5
23.	32.	Edward Blumenthal	Janney Montgomery Scott	Philadelphia	•	•	•	•		•	1,438	3	5
24.	24.	Malcolm Cowen	Cornerstone Adv Asset Mgmt	Bethlehem		•	•	•	•	•	4,240	45.32	70
25.	20.	Alan Cohn	Sage Financial Group	Conshohocken	•	•	•				1,700	3	5
26.	34.	Greg Sarian	Sarian Group at HighTower	Wayne	•	•	•			•	765	3	7
27.	26.	George Mastrogiorgos	Ameriprise Financial	Exton	•	•					1,563	0.6	1.4
28.	18.	Michael Duckworth	Merrill Lynch PBIG	Pittsburgh		•	•				873	25	40
29.	25.	Michael Mattise	Radnor Financial Advisors	Wayne		•	•				1,623	4.5	5.5
30.	N	Michael Hirthler	Jacobi Capital Mgmt	Wilkes Barre	•	•	•			•	1,071	2.7	4
31.	23.	William Brown	Merrill Lynch Wealth Mgmt	Sewickley	•	•	•				1,049	4	11
32.	27.	David Kron	Kron & Polis of Wells Fargo Adv	Philadelphia	•	•	•				1,229	2.65	4.5
33.	30.	Stephen Bealer	Merrill Lynch Wealth Mgmt	Wyomissing		•	•				1,028	3	5
34.	16.	Marc Richman	Morgan Stanley PWM	Philadelphia		•	•			•	914	20	50
35.	33.	Al Boris	Alex.Brown|Raymond James	Philadelphia	•	•	•				857	5	10
36.	44.	Michael Blehar	Fort Pitt Capital Group	Pittsburgh	•	•	•				2,501	0.49	0.49
37.	43.	Gregory Hayes	Merrill Lynch Wealth Mgmt	Yardley	•	•	•				807	2.5	3
38.	29.	Peter Sargent	Janney Montgomery Scott	Yardley	•	•	•				601	1	4
39.	35.	Barbara Hudock	Hudock Capital Group	Williamsport	•	•					500	1	3
40.	40.	Charles Petredis	Wells Fargo Advisors	Sewickley		•	•			•	754	2.5	4.25
41.	38.	Kurt Carlson	Hefren-Tillotson	Wexford	•	•	•			•	758	1	1.5
42.	41.	Joel Freedman	Morgan Stanley Wealth Mgmt	West Conshohocken	•	•	•			•	636	3	5
43.	N	Alfred Douglass	Merrill Lynch Wealth Mgmt	Allentown	•	•	•				626	1.5	5
44.	39.	Robert Boland	RBC Wealth Mgmt	Philadelphia	•	•	•				1,054	5	20
45.	36.	Joseph Flotteron	Merrill Lynch Wealth Mgmt	Yardley	•	•	•			•	446	2.5	7
46.	48.	Glenn Kolod	Edward Jones	Monroeville	•	•					513	0.58	0.6
47.	N	Theodore Bovard	Fort Pitt Capital Group	Pittsburgh	•	•	•				2,501	0.49	0.49
48.	46.	Jeffrey Martinides	Merrill Lynch Wealth Mgmt	Yardley	•	•	•			•	562	3	10
RHODE ISLAND													
1.	1.	Malcolm Makin	Raymond James	Westerly	•	•	•		•		$1,222	$1.5	$3
2.	2.	David Reiser	Morgan Stanley Wealth Mgmt	Newport	•	•	•				3,448	2	3
3.	3.	Edythe De Marco	Merrill Lynch Wealth Mgmt	Providence	•	•	•		•	•	911	3.4	4.8
4.	N	John Zitzmann	Morgan Stanley Wealth Mgmt	Providence	•	•	•			•	776	5	8
5.	4.	Joseph Hassett	Janney Montgomery Scott	Providence	•	•	•				531	2	3
6.	N	Denise Roberts	Morgan Stanley Wealth Mgmt	Newport	•	•	•				397	3	4
SOUTH CAROLINA													
1.	1.	Cheryl Holland	Abacus Planning Group	Columbia		•	•				$1,014	$4.18	$9.57
2.	5.	Robert Vingi	Wells Fargo Advisors	Charleston	•	•	•				1,405	6.1	8.85
3.	2.	Hagood Ellison	Merrill Lynch Wealth Mgmt	Columbia	•	•	•			•	3,140	5	18
4.	3.	Bud Kibler	Merrill Lynch PBIG	Columbia			•				3,921	10	25
5.	N	Rick Migliore	Merrill Lynch Wealth Mgmt	Columbia	•	•	•			•	3,140	5	7
6.	4.	Daniel M. Roach	Morgan Stanley Wealth Mgmt	Columbia	•	•	•			•	1,168	3	5
7.	6.	Lynn Faust	Raymond James	Greer	•	•	•	•		•	415	4	6
8.	8.	W. Clark Gallivan	UBS Financial Svcs	Greenville		•	•				598	2.5	5
9.	10.	Kenneth Parham	UBS Financial Svcs	Greenville	•	•	•	•	•	•	905	3.8	10
10.	N	Josh Brown	Merrill Lynch Wealth Mgmt	Greenville	•	•	•				494	1.5	2.5
11.	N	Michael Velasco	Merrill Lynch Wealth Mgmt	Columbia	•	•	•	•	•	•	2,658	10	25
12.	N	Jeff Pratt	Wells Fargo Advisors	Charleston	•	•				•	508	2	3
SOUTH DAKOTA													
1.	1.	Todd Nelson	Merrill Lynch Wealth Mgmt	Sioux Falls	•	•	•				$1,150	$1	$3
2.	2.	Gordon Wollman	Cornerstone Fin / Raymond James	Sioux Falls	•	•	•				365	0.85	1.75
3.	4.	David Olson	Merrill Lynch Wealth Mgmt	Sioux Falls	•	•	•				593	2	5
4.	3.	David Hillard	RBC Wealth Mgmt	Rapid City	•	•	•	•		•	732	2.25	3.25
5.	6.	Nathan Quello	Raymond James	Sioux Falls	•	•	•	•		•	515	1.5	3
6.	5.	William Lindquist	Merrill Lynch Wealth Mgmt	Sioux Falls	•	•	•			•	510	1.5	5
TENNESSEE													
1.	2.	Timothy Pagliara	CapWealth Advisors	Franklin		•	•	•			$1,325	$2.5	$7
2.	1.	Timothy Roberson	Merrill Lynch Wealth Mgmt	Brentwood	•	•	•				1,658	5	10
3.	3.	Eric Klindt	Merrill Lynch PBIG	Nashville		•	•	•	•		989	15	30
4.	7.	Dugan McLaughlin	Merrill Lynch PBIG	Knoxville		•	•		•		754	25	35
5.	6.	Jeffrey Bates	Kings Point Capital Mgmt	Brentwood		•	•	•			836	4.64	6
6.	12.	Christi Edwards	Morgan Stanley Wealth Mgmt	Nashville	•	•	•				821	4	10
7.	18.	Earnest Smith	SunTrust Investment Svcs	Nashville	•	•	•				539	4	15
8.	N	Jay Williams	UBS Financial Svcs	Memphis			•				983	100	480
9.	9.	Malcolm Liles	Baird	Nashville	•	•	•			•	781	3	8
10.	14.	Stanton Jacobs	UBS Financial Svcs	Oak Ridge	•	•					357	1.2	2.5
11.	15.	Matthew Miller	Merrill Lynch PBIG	Brentwood		•	•				593	32	50
12.	N	Jason Pharris	Morgan Stanley Wealth Mgmt	Nashville	•	•	•				841	4	10
13.	16.	Jeff Dobyns	Southwestern Inv / Raymond James	Franklin	•	•	•				386	3	8
14.	11.	Elias Hassan	Hilliard Lyons	Murfreesboro	•	•	•				702	1.5	3
15.	8.	Brent Trentham	Ameriprise Financial	Alcoa	•	•	•			•	542	0.33	1
16.	17.	Robert Gooch	Raymond James	Memphis	•	•	•		•		620	2.5	6
17.	N	David Hepner	Merrill Lynch Wealth Mgmt	Germantown	•	•	•				1,943	6	6
18.	10.	Louis Glaser	SunTrust Investment Svcs	Nashville	•	•	•				458	1	10
TEXAS													
1.	1.	Richard Szelc	Neuberger Berman	Dallas		•	•				$1,809	$11	$20
2.	N	Richard Joyner	Tolleson Wealth Mgmt	Dallas		•	•				5,400	34	79
3.	3.	Jason L. Fertitta	Morgan Stanley PWM	Houston		•	•				4,624	25	100
4.	4.	Tommy McBride	Merrill Lynch Wealth Mgmt	Dallas		•	•				1,529	7.5	15
5.	N	David Barnes	UBS Financial Svcs	Dallas		•	•				1,099	10	35
6.	12.	Van Pearcy	Van Pearcy's / Raymond James	Midland	•	•	•			•	1,574	3	10
7.	22.	Darrell Pennington	Ameriprise Financial	Houston	•	•					1,006	1.5	2.5

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

BARRON'S • SPECIAL SUPPLEMENT

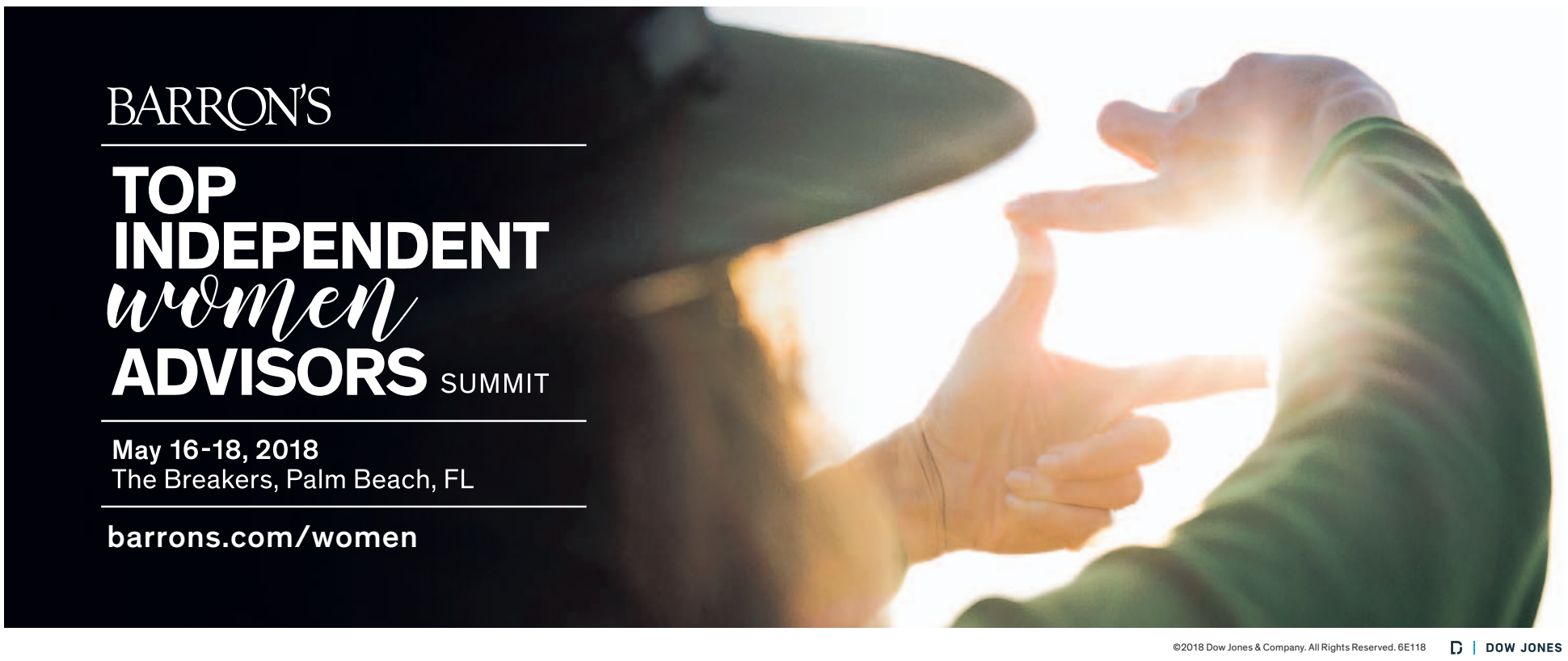
RANK 2018	RANK 2017	Name	Firm	City	CUSTOMERS: Individuals (Up to $1mil)	High Net Worth ($1-10 mil)	Ultrahigh Net Worth ($10 mil+)	Found-ations	Endow-ments	Institu-tional	Total Assets ($mil)	Typical Account ($mil)	Typical Net Worth ($mil)
8.	7.	Scott Tiras	Ameriprise Financial	Houston	●	●	●				1,822	2	4
9.	8.	Kevin Blonkvist	RBC Wealth Mgmt	Midland	●	●	●	●	●	●	1,743	10	10
10.	20.	Jeanie Wyatt	South Texas Money Mgmt	San Antonio	●	●	●	●		●	3,275	1.01	7.1
11.	25.	David Harris	U.S. Capital Advisors	Houston		●	●				1,219	7	10
12.	21.	Mark Moore	UBS Financial Svcs	Austin	●	●	●				1,085	4.5	10
13.	15.	Philip Dodson	Merrill Lynch PBIG	Houston		●	●				2,355	25	50
14.	5.	Bobby Fisher	UBS Financial Svcs	Houston	●	●	●			●	8,006	2	10
15.	11.	William Gouldin	Morgan Stanley PWM	Houston		●	●	●			1,186	5	10
16.	N	William Leven	Merrill Lynch PBIG	Houston		●	●	●			1,386	40	50
17.	26.	Stephen Engro	Beacon Financial Group	Dallas	●	●	●				809	1	2
18.	23.	Bonner Barnes	Corda Inv Mgmt	Houston	●	●					1,000	0.8	1.75
19.	N	Charles McKinney	Morgan Stanley PWM	Dallas		●	●				1,230	50	100
20.	24.	Lewis Metzger	Morgan Stanley Wealth Mgmt	Houston	●	●	●				1,375	4	6
21.	13.	Champ Warren	Merrill Lynch PBIG	Houston		●	●	●			3,610	25	50
22.	16.	Reed Smith	Merrill Lynch PBIG	Houston		●	●	●			3,610	25	50
23.	38.	Jeffery Price	Merrill Lynch Wealth Mgmt	Southlake	●	●	●				749	2.5	3.5
24.	18.	Richard Piatas	Merrill Lynch Wealth Mgmt	Frisco	●	●	●	●			4,268	11	25
25.	28.	John Merrill	Tanglewood Total Wealth Mgmt	Houston	●	●	●				871	2.5	5
26.	10.	Doug Wall	Alex.Brown|Raymond James	Dallas	●	●	●			●	1,187	5	50
27.	27.	James Coffee	Merrill Lynch Wealth Mgmt	Houston	●	●	●				6,482	5	7
28.	73.	Matt Ardoyno	Merrill Lynch Wealth Mgmt	Fort Worth	●	●	●				1,086	2	7
29.	29.	Mark Gladstein	Merrill Lynch Wealth Mgmt	Houston	●	●	●				1,535	3.07	10
30.	40.	Jennifer Marcontell	Edward Jones	Baytown	●	●					1,030	1.9	3.5
31.	30.	Gregory Klenke	UBS Financial Svcs	Houston	●	●	●				8,006	2.5	4
32.	31.	Richard Ashcroft	Baird	Houston	●	●	●				1,938	4	4.5
33.	44.	Gregory Glosser	RBC Wealth Mgmt	Dallas	●	●	●				680	5	10
34.	34.	Charles Lewis	Wells Fargo Advisors	Waco	●	●	●	●	●	●	1,390	1	3.5
35.	41.	Charla McIntyre Fields	Ameriprise Financial	Hurst	●	●	●				1,270	1.2	3.05
36.	50.	Carl Fuhrmann III	Merrill Lynch Wealth Mgmt	San Antonio	●	●	●				903	4	6
37.	33.	Howard Lorch	Wells Fargo Advisors	Houston	●	●	●				1,698	1	4
38.	48.	Rob Bertino	UBS Financial Svcs	Dallas		●	●	●		●	1,096	25	50
39.	59.	Susan Heuer	Merrill Lynch Wealth Mgmt	Houston	●	●	●				3,106	2	5
40.	9.	Nestor Vicknair	Merrill Lynch Wealth Mgmt	Houston	●	●	●				4,841	6	9
41.	64.	Kerry Knox	Merrill Lynch Wealth Mgmt	Fort Worth	●	●	●				3,334	1.2	2.2
42.	49.	Scot Smith	Morgan Stanley Wealth Mgmt	Dallas	●	●	●	●			506	3	5
43.	47.	Elizabeth Lockwood	UBS Financial Svcs	Houston		●	●				1,974	10	15
44.	52.	Steve Nagel	Merrill Lynch Wealth Mgmt	Frisco		●	●				977	5	8
45.	36.	John Mott	Graystone Consulting	Houston		●				●	3,388	80	80
46.	87.	Brent Anderson	Morgan Stanley PWM	Houston		●	●				1,868	25	50
47.	57.	Ira Kravitz	UBS Financial Svcs	Plano	●	●	●				492	5	7
48.	42.	Kevin Dickey	Morgan Stanley PWM	Dallas		●	●				1,077	25	30
49.	46.	Barry Young	UBS Financial Svcs	Houston		●	●				1,974	10	15
50.	43.	R. Craig Rathjen	UBS Financial Svcs	Houston			●	●		●	2,545	50	75
51.	39.	Frederick de Groot	Merrill Lynch Wealth Mgmt	The Woodlands	●	●	●			●	886	5	7
52.	62.	Brian Tramontano	Merrill Lynch Wealth Mgmt	San Antonio	●	●	●				500	2	3.5
53.	35.	Audree Begay	Ameriprise Financial	Houston	●	●	●				824	1.2	2.7
54.	56.	Raymond Tucker	Wells Fargo Advisors	Fort Worth	●	●	●				1,255	0.8	2
55.	71.	Anupam Johri	Morgan Stanley Wealth Mgmt	Plano	●	●	●				672	1.25	2.5
56.	51.	Marie Moore	Morgan Stanley Wealth Mgmt	Dallas	●	●	●				402	2	5
57.	61.	J. Michael Fox	Merrill Lynch Wealth Mgmt	Houston	●	●	●				634	2	5
58.	45.	Nelson Murray	Morgan Stanley Wealth Mgmt	Houston		●	●				835	3	5
59.	N	David Jennings	Morgan Stanley Wealth Mgmt	Dallas	●	●	●	●			574	10	20
60.	54.	Darren Fenz	Merrill Lynch Wealth Mgmt	Houston	●	●	●				1,365	3.5	5
61.	58.	Charles Johansen	Merrill Lynch Wealth Mgmt	The Woodlands	●	●	●		●	●	1,333	5	7.75
62.	66.	Craig Massey	Merrill Lynch PBIG	Houston		●	●				1,415	100	250
63.	70.	Ralph Schroeder	Ameriprise Financial	The Woodlands	●	●	●				566	2.1	4
64.	65.	Bradley Bruce	Merrill Lynch Wealth Mgmt	Fort Worth	●	●	●	●	●		841	8	15
65.	85.	Gil Baumgarten	Segment Wealth Mgmt	Houston	●	●	●		●		716	8	17
66.	60.	Brian Petrauskas	Merrill Lynch Wealth Mgmt	The Woodlands	●	●	●		●	●	1,333	5	7.75
67.	77.	Charles Neuhaus	Wells Fargo Advisors	Houston		●	●	●		●	900	12	40
68.	N	David Kelton	Morgan Stanley PWM	Dallas		●	●				1,229	25	50
69.	72.	J. Dow Crocker	Raymond James	Dallas	●	●	●	●		●	1,700	7.5	25
70.	53.	Kalita Blessing	Quest Capital / Raymond James	Dallas		●	●				1,225	2	10
71.	55.	Thomas Holstead	Merrill Lynch Wealth Mgmt	Houston	●	●	●				2,863	2	5
72.	63.	Mark Elias	UBS Financial Svcs	Houston		●	●	●	●		1,426	15	25
73.	76.	Michael Hesse	Texas Wealth Mgmt	Houston		●	●				724	2	3
74.	68.	Joni Abalos	Merrill Lynch Wealth Mgmt	Houston	●	●	●				1,365	3.5	5
75.	83.	F. Michael Wood Jr.	Merrill Lynch PBIG	San Antonio		●	●	●		●	2,061	15	20
76.	69.	Shawn Smith	Ameriprise Financial	Fort Worth	●	●					1,348	0.56	1.67
77.	74.	Randy Price	RBC Wealth Mgmt	Houston	●	●	●				530	2.5	3
78.	N	Greg McDonald	UBS Financial Svcs	Midland	●	●	●	●			1,412	3.5	5
79.	79.	Gail Utter	Wells Fargo Advisors	Sherman	●	●	●				501	3.5	5
80.	81.	Matthew Kardesch	Ameriprise Financial	Houston	●	●	●				995	1.5	3
81.	N	Melinda M. Johnston	Merrill Lynch Wealth Mgmt	Fort Worth	●	●	●				1,157	2.5	5
82.	86.	Donald Peterson	UBS Financial Svcs	Dallas	●	●	●			●	808	13	25
83.	N	Alexander Ladage	UBS Financial Svcs	Austin	●	●	●	●			609	10	20
84.	75.	Steven Herzog	RBC Wealth Mgmt	Houston	●	●	●	●		●	716	5	10
85.	N	Jay Gerrie	Merrill Lynch Wealth Mgmt	Austin	●	●	●				813	2.8	5
86.	90.	Mark Kever	UBS Financial Svcs	Plano	●	●	●				557	1.8	3
87.	84.	David Novelli	Morgan Stanley PWM	Houston	●	●	●			●	1,060	15	25
88.	N	Bryan Leonard	Merrill Lynch Wealth Mgmt	Houston	●	●	●				2,063	2	5
89.	N	Alan Yonack	Morgan Stanley Wealth Mgmt	Dallas	●	●	●				510	1.5	7
90.	80.	Stephen Roberts	Merrill Lynch Wealth Mgmt	Houston	●	●					483	1.5	2.5
UTAH													
1.	N	Dane Runia	Merrill Lynch PBIG	Provo			●			●	$2,576	$66	$100
2.	1.	Carl L. Laurella	Merrill Lynch Wealth Mgmt	Salt Lake City		●	●			●	1,183	10	15
3.	6.	John Van Wagoner	Merrill Lynch Wealth Mgmt	Salt Lake City	●	●	●	●			594	5	10
4.	2.	Glen Mintz	UBS Financial Svcs	Park City	●	●	●				776	3	7
5.	N	Greg Golding	UBS Financial Svcs	Park City	●	●		●		●	4,546	1.5	5
6.	4.	Jeffry Roundy	Merrill Lynch Wealth Mgmt	Salt Lake City		●	●			●	1,183	10	15
VERMONT													
1.	2.	Tim Stotz	Morgan Stanley Wealth Mgmt	Colchester		●	●	●	●	●	$731	$2	$4
2.	1.	Brian Pelkey	Morgan Stanley Wealth Mgmt	Colchester	●	●	●			●	811	2.5	3.5
3.	6.	Timothy O'Brien	UBS Financial Svcs	South Burlington	●	●	●				353	2.5	4
4.	4.	Donald W. Tynion II	UBS Financial Svcs	South Burlington	●	●	●			●	269	0.75	2
5.	3.	Jeff Dannies	Morgan Stanley Wealth Mgmt	Burlington	●	●	●	●	●		704	1.5	2.5
6.	5.	Jennifer Kelley	Wells Fargo Advisors	Burlington	●	●	●				309	1.45	2.6
VIRGINIA													
1.	1.	Stephan Cassaday	Cassaday	McLean	●	●	●				$2,442	$1.5	$2
2.	2.	Joseph Montgomery	Wells Fargo Advisors	Williamsburg		●	●	●	●	●	12,884	7	15
3.	N	Paul Pagnato	PagnatoKarp	Reston		●	●				3,512	15	20
4.	3.	Tristan Caudron	Wells Fargo Advisors	Alexandria	●	●	●	●	●		1,622	1.75	3.5
5.	5.	Dalal Salomon	Wells Fargo Adv Financial Network	Richmond	●	●	●				1,123	3.5	7
6.	4.	Jeffrey Grinspoon	VWG Wealth Mgmt at HighTower	Vienna		●	●			●	1,775	5	7
7.	7.	Gregory Smith	Baird	Reston	●	●	●				2,090	1.2	3
8.	10.	Barry Glassman	Glassman Wealth Svcs	Vienna	●	●	●				1,043	5	8
9.	N	Simon Hamilton	Baird	Reston	●	●	●				2,090	1.2	3
10.	9.	Lowell Pratt	Burney Company	Reston	●	●				●	1,665	0.94	2
11.	13.	Ryan Sprowls	Sprowls, Key & Romano of W.Fargo	Alexandria	●	●	●	●		●	1,076	2	4
12.	14.	Soo Kim	Ameriprise Financial	Vienna	●	●					1,265	1	2
13.	17.	Jamie Cox	Harris Financial Group	Richmond	●						760	0.51	0.75

For personal, non-commercial use only.

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

RANK 2018	RANK 2017	Name	Firm	City	CUSTOMERS: Individuals (Up to $1mil)	High Net Worth ($1-10 mil)	Ultrahigh Net Worth ($10 mil+)	Found-ations	Endow-ments	Institu-tional	Total Assets ($mil)	Typical Account ($mil)	Typical Net Worth ($mil)
14.	12.	Garret Alcaraz	Wells Fargo Advisors	Virginia Beach	•	•	•	•	•	•	1,600	5	10
15.	26.	Jeff LeClair	Wells Fargo Advisors	McLean		•	•		•	•	1,747	10	15
16.	15.	Michael Joyce	JoycePayne Partners	Richmond	•	•	•				670	2.5	3
17.	25.	Brett Hayes	Hayes Nystrom Sarrett WM Group	Richmond	•	•	•	•	•	•	1,151	3	5
18.	16.	John Gill	BB&T Scott & Stringfellow	Virginia Beach	•	•	•				709	2.75	5
19.	18.	Allan Strange	Janney Montgomery Scott	Richmond	•	•	•	•		•	985	1.5	3
20.	20.	James Barnette	Raymond James	Reston	•	•		•		•	557	1	2.05
21.	6.	Scott George	Mason Investment Advisory Svcs	Reston				•		•	7,600	10	42
22.	21.	Kelly Campbell	Campbell Wealth Mgmt	Alexandria	•	•				•	473	1.3	1.8
23.	22.	Neil Goetzman	Merrill Lynch Wealth Mgmt	Alexandria	•	•	•	•	•		707	3.5	6.8
24.	N	Robert Parr	Morgan Stanley PWM	McLean	•	•	•				649	5	10
25.	27.	Paul Mazziotti	Wells Fargo Advisors	McLean		•	•	•	•	•	1,782	7.5	12
26.	23.	Brude Stoever	Wells Fargo Advisors	Richmond	•	•	•			•	815	5	5
27.	N	Rob Reich	Wells Fargo Advisors	McLean		•	•			•	630	5	7.5
28.	19.	Greg Popera	Merrill Lynch PBIG	Tysons		•	•				784	35	65
29.	29.	Brenda Blisk	Spire Investment Partners	McLean	•	•	•				550	1.75	5
30.	24.	Geoffrey Sisk	Wells Fargo Advisors	Richmond	•	•	•	•			830	4	7
WASHINGTON													
1.	1.	Erik Morgan	Freestone Capital Mgmt	Seattle		•	•				$3,994	$4.48	$7.71
2.	3.	Phil Scott	Merrill Lynch Wealth Mgmt	Bellevue	•	•	•				3,018	5	20
3.	2.	Randall Linde	Ameriprise Financial	Renton	•	•	•			•	1,877	0.86	2.5
4.	7.	Charles Brighton	Brighton Jones	Seattle	•	•	•				4,592	3	5
5.	8.	Jon Jones	Brighton Jones	Seattle	•	•	•				4,592	3	5
6.	5.	Cameron Ragen	Baird	Seattle	•	•	•				1,900	4	5
7.	4.	Terry Cook	UBS Financial Svcs	Bellevue		•	•				1,068	20	35
8.	15.	Stephen Hollomon	Merrill Lynch Wealth Mgmt	Seattle	•	•	•			•	1,660	5	10
9.	10.	Dean Braun	Morgan Stanley PWM	Seattle		•	•				3,000	15	20
10.	9.	Wayne Hampson	Merrill Lynch Wealth Mgmt	Seattle		•	•				1,409	2	10
11.	12.	Michael Matthews	UBS Financial Svcs	Bellevue	•	•	•				884	4	8
12.	13.	Paul Ried	Paul R. Ried Financial Group	Bellevue	•	•					692	0.5	1
13.	6.	Erin Scannell	Ameriprise Financial	Mercer Island	•	•					1,789	0.28	1
14.	11.	Larry Hood	Pacific Portfolio Consulting	Seattle	•	•	•			•	3,494	12.13	18
15.	16.	Robert Nelson	Morgan Stanley PWM	Seattle		•	•				9	15	20
16.	17.	Lowry West	Morgan Stanley PWM	Seattle		•	•				976	15	25
17.	18.	Shari Burns	United Capital Seattle	Seattle		•	•	•			1,797	6.01	8.5
18.	14.	Kevin Fitzwilson	Coldstream Wealth Mgmt	Bellevue	•	•	•				900	3	5
19.	19.	Brian Acarregui	Morgan Stanley Wealth Mgmt	Seattle	•	•	•				1,504	4	10
20.	N	Jay Kirkpatrick	Merrill Lynch Wealth Mgmt	Spokane		•	•			•	1,689	10	15
21.	20.	Michael Hershey	J.P. Morgan Securities	Bellevue	•	•	•				850	10	25
22.	24.	Jeffrey Crosby	Ameriprise Financial	Kirkland	•	•					1,479	0.5	1.86
23.	21.	Daver Tiryakioglu	Merrill Lynch Wealth Mgmt	Bellevue	•	•	•			•	638	1.42	3
24.	N	Mike Geri	RBC Wealth Mgmt	Seattle	•	•	•				652	3.5	5
25.	26.	Robert Mellon	Freestone Capital Mgmt	Seattle		•	•				3,994	3.82	8.84
26.	N	Matt Riesenweber	Cornerstone Wealth Strategies	Kennewick	•	•	•	•		•	418	1	2.4
27.	N	Frank Edgar	Merrill Lynch Wealth Mgmt	Seattle	•	•	•	•		•	1,796	3	8
28.	28.	Joe Cervantes	Coldstream Wealth Mgmt	Bellevue		•	•				473	2.5	5
29.	N	Greg LeClair	Morgan Stanley Wealth Mgmt	Seattle	•	•	•				918	3	5
30.	22.	Paul Jackson	Morgan Stanley Wealth Mgmt	Bellevue	•	•	•				530	5	10
WEST VIRGINIA													
1.	1.	David Miller	RBC Wealth Mgmt	Huntington	•	•	•	•	•	•	$1,515	$0.75	$1
2.	3.	James Michael Goodwin	Graystone Consulting	Charleston	•	•	•	•	•	•	5,072	3	5
3.	4.	Christopher Hall	Hall Financial Advisors	Parkersburg	•	•	•			•	622	0.65	1
4.	N	John Dawson	Graystone Consulting	Charleston	•	•	•	•	•	•	5,172	5	7
5.	6.	Tom Kliethermes	Edward Jones	Fairmont	•	•	•				406	0.71	0.85
6.	5.	Edward Stike	RBC Wealth Mgmt	Charleston	•	•		•		•	426	1	2
WISCONSIN													
1.	2.	Michael Klein	Baird	Milwaukee	•	•	•	•	•	•	$11,303	$27	$35
2.	1.	Andrew Burish	UBS Financial Svcs	Madison	•	•	•				2,490	2	3
3.	4.	Mark Orgel	Orgel Wealth Mgmt	Altoona	•	•	•			•	4,046	2.06	6
4.	3.	Thomas Parks	Graystone Consulting	Milwaukee			•	•		•	6,494	75	75
5.	5.	Barry Martzahl	Graystone Consulting	Green Bay	•	•	•			•	2,109	3	5
6.	12.	David Spano	Annex Wealth Mgmt	Elm Grove	•	•					1,619	0.5	1.56
7.	8.	Bryan Sadoff	Sadoff Inv Mgmt	Milwaukee	•	•	•				1,290	2	3
8.	9.	Philip Dallman	Baird	Milwaukee	•	•	•	•	•	•	11,303	27	35
9.	7.	Michael Sadoff	Sadoff Inv Mgmt	Milwaukee	•	•	•				1,290	2	3
10.	6.	David Epstein	Baird	Milwaukee	•	•	•	•			3,128	7.5	10
11.	11.	Jeffrey Kowal	Kowal Inv/Raymond James	Waukesha	•	•					775	0.85	1.5
12.	14.	Vincenzo Cimino	Cimino Wealth Advisors	Clinton	•	•					473	0.25	0.5
13.	15.	Walter Meanwell	Wells Fargo Advisors	Madison	•	•	•	•	•		500	0.75	2.5
14.	10.	Jon Goldstein	Ameriprise Financial	Middleton	•	•				•	860	0.56	1.45
15.	18.	Bob Chernow	RBC Wealth Mgmt	Milwaukee	•	•	•				631	1.16	2.5
16.	N	Michael Smith	Ameriprise Financial	Stevens Point	•	•					472	0.83	1.3
17.	N	Joseph Heil	Morgan Stanley Wealth Mgmt	Milwaukee	•	•	•	•		•	876	2	5
18.	N	Chris Calvelli	Baird	Milwaukee	•	•	•	•			3,128	7.5	10
WYOMING													
1.	1.	Jeffrey Vincent	Vincent Financial Svcs	Riverton	•	•					$275	$0.75	$1.5
2.	2.	Doug Dewald	Edward Jones	Sheridan	•	•					196	0.58	0.8
3.	6.	Ryan Scott	Edward Jones	Rock Springs	•	•	•				219	0.7	1.4
4.	4.	Cody Lockhart	Wells Fargo Advisors	Jackson	•	•	•	•			500	3	8
5.	3.	Daniel Stevens	Edward Jones	Cody	•	•	•				206	0.54	0.7
6.	5.	Bryan Pedersen	RBC Wealth Mgmt	Cheyenne	•	•				•	115	0.6	1.2

For personal, non-commercial use only.



©2018 Dow Jones & Company. All Rights Reserved. 6E118 DOW JONES

For personal, non-commercial use only. Do not edit, alter or reproduce. For commercial reproduction or distribution, contact Dow Jones Reprints & Licensing at (800) 843-0008 or www.djreprints.com

BARRON'S

TOP INSTITUTIONAL CONSULTANTS SUMMIT

Effective strategies. Exceptional outcomes.

MAY 10 | NYC

barrons.com/institutional

For personal, non-commercial use only.

DOW JONES ©2018 Dow Jones & Company. All Rights Reserved. 6E117