

# THE WALL STREET JOURNAL.

DOW JONES | News Corp \*\*\*\*\*

THURSDAY, NOVEMBER 21, 2024 ~ VOL. CCLXXXIV NO. 122

WSJ.com

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DJIA 43408.47 ▲ 139.53 0.32% NASDAQ 18966.14 ▼ 0.1% STOXX 600 500.49 ▼ 0.02% 10-YR. TREAS. ▼ 7/32, yield 4.406% OIL \$68.87 ▼ \$0.52 GOLD \$2,648.20 ▲ \$21.10 EURO \$1.0546 YEN 155.43

## What's News

### Business & Finance

- ◆ **The Justice Department** said Google should have to sell off its Chrome browser as part of a court-ordered fix to its monopolization of the online search market. **A1**
- ◆ **Nvidia's sales surged** in its latest quarter and profit nearly doubled, a sign of the strength of an artificial-intelligence boom that has made the chip giant the world's most valuable company. **A1**
- ◆ **Archegos founder** Bill Hwang was sentenced to 18 years in prison for manipulating stock prices and defrauding banks in the run up to his investment firm's collapse. **A1**
- ◆ **Major U.S. stock indexes** ended mixed, with the S&P 500 little changed. The Dow industrials rose 0.3% and the Nasdaq fell 0.1%. **B11**
- ◆ **Ford plans to cut** 4,000 jobs in Europe, becoming the latest carmaker to seek deep cost savings as it grapples with tepid demand for electric vehicles and rising competition. **B1**
- ◆ **NIO's net loss widened** in the third quarter as revenue fell, dragged by lower selling prices amid an intense price war in China's EV market. **B4**
- ◆ **The Justice Department** charged billionaire Gautam Adani with orchestrating a massive bribery scheme to pay off Indian government officials to secure lucrative solar-energy supply contracts. **B1**
- ◆ **Pfizer elevated** the executive in charge of its cancer-drugs business to oversee all of the drugmaker's R&D. **B1**
- ◆ **Boeing Chief Executive** Kelly Ortberg told employees the company has serious culture problems and can't afford another mistake. **B3**

### World-Wide

- ◆ **The bipartisan House** panel probing sexual-misconduct allegations against former Rep. Matt Gaetz deadlocked on whether to release its report on Trump's pick for attorney general, prompting Democrats to pursue a vote by the full House on the matter. **A4**
- ◆ **The Pentagon said** it was sending antipersonnel mines to Ukraine, underscoring a broader Biden administration push to bolster Kyiv as Russian forces seek to advance on multiple fronts and both sides maneuver for possible negotiations. **A5**
- ◆ **A Venezuelan migrant** was convicted of killing a Georgia college student and sentenced to life in prison in a case that became a rallying cry for conservatives pushing for a crackdown on immigration. **A3**
- ◆ **The lead U.S. negotiator** on ending the war between Israel and Hezbollah said he made progress during a two-day trip to Beirut, and would travel to Israel to try to secure a cease-fire agreement that has proven elusive. **A6**
- ◆ **The U.S. Army bypassed** some of venture capital's best-funded drone makers to buy small surveillance drones from Teal, a little-known manufacturer based in Utah. **A3**
- ◆ **New York City Mayor** Eric Adams appointed Jessica Tisch, a veteran of city government and a former NYPD official, as police commissioner. **A2**
- ◆ **A major storm swept** across the northwest U.S., battering the region with strong winds and rain, causing widespread power outages and downing trees that killed at least two people. **A3**

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## Beijing, Brasília Deepen Ties to Check Washington



ENRIETO SIA/AP/GETTY IMAGES

**TRUMP CARD:** Brazil's Luiz Inácio Lula da Silva welcomes Xi Jinping to Brasília on Wednesday as the Chinese leader cultivates international ties to prepare for an expected thorny trade relationship with U.S. President-elect Donald Trump. **A7**

## U.S. Companies Boost Imports As Trump's China Tariffs Loom

Businesses plan to stockpile, raise prices and change where they manufacture

By HANNAH MIAO

By 9 p.m. on election night, it had become clear to Jason Junod that Donald Trump was returning to the White House. That night, he contacted his skin-care company's suppliers in China to order a year's worth of inventory for about \$50,000—as much as he could afford to buy and had room to store.

His hope is that the roughly 30,000 body brushes and exfoliating gloves make it to Bare Botanics' facility in Madison, Wis., before Inauguration Day. He thinks Trump is serious about his campaign promise to impose tariffs of 60% on all Chinese goods.

U.S. businesses are dusting off a playbook they used during Trump's first term: stocking up on imported goods before tariffs are enacted. They are also considering how to cope with the levies if and when enacted—whether they will be able to raise prices and whether they will need to find alternatives to their Chinese manufacturers.

“The biggest consideration is, do we stay in China?” Junod said.

When Trump began his trade war against China in 2018, U.S. businesses worked to front-load imports before tariffs were implemented, according to an International Monetary Fund analysis. As a result, the U.S.'s trade deficit with China—how much imports exceed exports—widened in 2018 before narrowing in 2019.

Exports from China surged in October, which some economists think could have been driven at least in part by front-loading amid uncertainty around election results. Out-

bound shipments from China rose nearly 13% in October from a year earlier, well above consensus expectations and up sharply from 2.4% growth in September. Growth in Chinese exports should remain strong through the next few months because of front-loading, Wall Street economists said.

China remains the world's top exporter of goods and the U.S. its top buyer. U.S. companies bought about \$430 billion of Chinese goods last year, with computer and electronic

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◆ **Heard on the Street: Asia** faces more headaches ... **B12**

## Archegos Founder Sentenced To 18 Years

By JENNA TELESKA

Archegos Capital Management founder Bill Hwang was sentenced to 18 years in prison on Wednesday after he was found guilty of manipulating stock prices and defrauding banks as part of a scheme that led to the biggest single-firm meltdown since the financial crisis.

A federal jury in New York this summer found Hwang guilty of 10 counts including securities fraud and market manipulation. Hwang has denied wrongdoing, and his lawyer has indicated Hwang intends to appeal.

U.S. District Judge Alvin Hellerstein said the sentence was a “symbol to others that if you don't live by the law, you could be punished very severely by the law.”

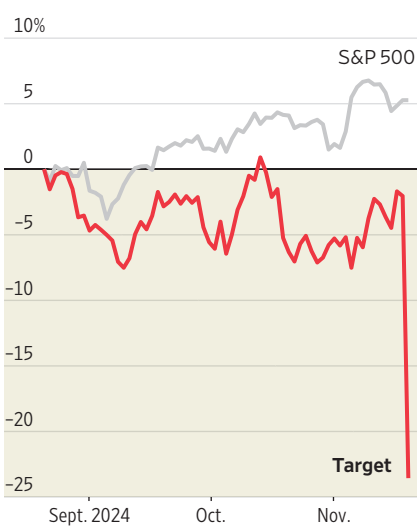
Hwang, wearing a dark gray suit and a periwinkle tie, was stoic during the proceedings. “I feel deep pain for all of Archegos's employees, the banks and the people who worked at the banks who suffered,” he told the judge.

Archegos's meltdown shook Wall Street in spring of 2021 when Hwang's highly concentrated bets went south. Using borrowed money and derivatives that masked the firm's colossal exposure, Archegos had invested in the same small group of stocks at several banks.

The losses spread across

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Share-price and index performance, past three months



Source: FactSet

## Target Shares Take Hit

Target reported that profit shrank and sales were flat in the latest quarter, sending its shares down 21%. The retailer also lowered its profit and sales goals for the year. The results stood in contrast to discount chains such as Walmart and Costco, which saw revenue increase. **B1**

## \$6.2 Million for Banana on Wall (Bananas and Tape Not Included)

\* \* \*

Sale fuels debate over what gives art value; piece likened to Andy Warhol's soup cans

By KELLY CROW

The art market went bananas over a million-dollar banana.

“Comedian,” by Italian artist Maurizio Cattelan, sold for \$6.2 million at auction Wednesday night.

The piece consists of an ordinary, yellow banana affixed to a white wall with a diagonal piece of silver duct tape. Since Cattelan debuted the work at Art Basel Miami Beach five years ago, what's become known as the Banana has turned into a viral sensation. It's attracted crowds, copycats, and even its

own cryptocurrency.

The Banana also is reigniting a long-running debate about the value society is willing to place on an everyday object simply because an artist calls it art.

(Marcel Duchamp famously kick-started the argument in 1913 when he mounted a bicycle wheel to a stool.)

Perrotin Gallery originally sold Cattelan's duct-taped banana in an edition of three plus two artist's proofs, or early prototypes—so five bananas in all—for between \$120,000 and \$150,000 apiece in 2019. On

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## Nvidia's Sales Jump, Lifted by AI Outlook

By ASA FITCH

Nvidia's sales surged in its latest quarter and profit nearly doubled, a sign of the strength of an artificial-intelligence boom that has made the chip giant the world's most valuable company.

Nvidia projected on Wednesday around \$37.5 billion of revenue for its current quarter, topping forecasts, suggesting its next-generation AI chips, known as Blackwell, are in high demand from customers like Microsoft, Alphabet's Google,

Meta Platforms and Elon Musk's xAI.

The company, whose chips have powered the rise of AI technology, said that it expects its next-generation Blackwell chips to ship in the current quarter and be in short supply into its next fiscal year.

Sales were \$35.1 billion in the fiscal third quarter, the company said, up by 94% from a year earlier and ahead of forecasts in a FactSet survey of analysts.

Profit reached \$19.3 billion,

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## How Science Lost America's Trust

Voters angry over Covid-19 measures backed Trump's selection of RFK Jr.

By LIZ ESSLEY WHYTE

The rise of Robert F. Kennedy Jr. from fringe figure to the prospective head of U.S. health policy was fueled by skepticism and distrust of the medical establishment—views that went viral in the Covid-19 pandemic.

People once dismissed for their disbelief in conventional medicine are now celebrating a new champion in Washington. Scientists, meanwhile, are trying to figure how they could have managed the pandemic without setting off a populist

movement they say threatens longstanding public-health measures.

Lingering resentment over pandemic restrictions helped Kennedy and his “Make America Healthy Again” campaign draw people from the left and the right, voters who worried about the contamination of food, water and medicine. Many shared their doubts about vaccines and felt their concerns were ignored or regarded as ignorant.

Kennedy merged a crowd of Covid-era skeptics with

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