

# THE WALL STREET JOURNAL.

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

WEDNESDAY, MAY 22, 2024 ~ VOL. CCLXXXIII NO. 120

WSJ.com

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## What's News

### Business & Finance

◆ **A rise in utilities' share** prices this spring reflects a growing belief that the U.S. economy can power through higher interest rates and turn the hype around artificial intelligence into reality. **A1**

◆ **U.S. stocks extended** their May rally, with the S&P 500 and Nasdaq hitting records on gains of 0.3% and 0.2%, respectively, and the Dow adding 0.2%. **B12**

◆ **Fewer American parents** said they were coping financially in 2023 compared with a year earlier, according to a Fed survey that nonetheless contained some bright spots. **A2**

◆ **Samsung, recently** a laggard in the artificial-intelligence boom, replaced the head of its semiconductor business, who had also served as co-chief executive. **B1**

◆ **Elvis Presley's** granddaughter said swindlers are trying to sell off Graceland, the home that belonged to the rock 'n' roll legend. **B1**

◆ **Chinese EV maker** XPeng forecast a rise in its second-quarter vehicle deliveries after its first-quarter net loss narrowed. **B2**

◆ **Pixar will lay off** about 14% of its workforce as parent Disney seeks to cut costs and scale back the volume of content made exclusively for streaming. **B3**

◆ **Macy's raised its outlook** after the department store chain's first-quarter results exceeded expectations. **B3**

◆ **GSK's experimental drug** for asthma met its goals in the latest trial, moving a treatment with potential annual peak sales of more than \$3.81 billion closer to market. **B3**

### World-Wide

◆ **Western officials braced** for a period of increased volatility with Iran as the country prepares to choose a successor to the late President Raisi, though they don't expect Tehran to make major foreign-policy shifts. **A1**

◆ **Election officials are** increasingly enlisting younger poll workers to address a shortage as baby boomers who long signed in voters and scanned ballots step away. **A5**

◆ **Crypto companies** fighting for survival after a regulatory crackdown are spending heavily this year to get politicians they see as allies elected and to defeat those who are critical of the industry. **A5**

◆ **The potential sale** of a U.S. gun and ammunition maker to a Czech arms company is drawing scrutiny from some lawmakers, highlighting concern about foreign ownership in an era of global arms shortages. **A8**

◆ **Support for Benny Gantz** as Netanyahu's main political challenger in Israel has waned amid perceptions that the war cabinet member has stayed too long in the prime minister's emergency government and become part of the failures of the conflict with Hamas. **A6**

◆ **PDX Stolen Cars**, a Facebook group boasting more than 20,000 members, scours Portland, Ore., for vehicles taken from their owners and has become a resource for the city's police bureau. **A3**

◆ **Scandal is clouding** the electoral ambitions of Germany's far-right AfD, with the party at risk of being relegated to a purely regional force concentrated in the former communist east. **A16**

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## Midair Turbulence Leaves One Dead, Dozens Hurt



VIRAL PAGES/REUTERS

**SHAKEN:** A Singapore Airlines jet headed to Singapore from London was diverted to Bangkok on Tuesday after hitting extreme turbulence. One person died and at least 30 were injured. For a video on the incident, scan the code with the article on **A16**.

## China Tightens Minerals Grip As West Fails to Make Headway

By JON EMONT

SINGAPORE—For the past few years, the West has been trying to break China's grip on minerals that are critical for defense and green technologies. Despite their efforts, Chinese companies are becoming more dominant.

They are expanding operations, supercharging supply and causing prices to drop. Their

challengers can't compete.

"China is not just standing still waiting for us to catch up," said Morgan Bazilian, director of the Payne Institute at the Colorado School of Mines. "They are making investments on top of their already massive investments in all aspects of the critical-minerals supply chain."

Take nickel, which is needed for electric-vehicle

batteries. Chinese processing plants that dot the Indonesian archipelago are pumping out vast quantities of the mineral from new and expanding facilities, jolting the market.

Meanwhile, Switzerland-based mining giant Glencore is suspending operations at its nickel plant in New Caledonia, a French territory, concluding it can't survive despite offers of financial help from Paris.

The U.K.'s Horizonte Minerals, whose new Brazilian mine was expected to become a major Western source, said in April that investors had bailed, citing oversupply in the market.

At least four nickel mines in Western Australia are winding down.

Lithium projects in the U.S. and Australia have been postponed or suspended after a

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## Lenders Bet Billions On Booming Growth Of AI Chip Industry

By ASA FITCH AND MIRIAM GOTTFRIED

When a major owner of AI chips wanted to raise billions of dollars to buy more, it turned to a crop of Wall Street investment firms for a loan backed by the chips themselves.

CoreWeave, a New Jersey-based startup that owns artificial-intelligence chips and associated computing gear in data centers across the globe last week in one of the largest ever private-debt financing deals. Investment giant Blackstone led the deal, which will fund CoreWeave's expansion in data centers across the globe and help it buy more chips from Nvidia, the main supplier of computational power to the AI boom.

Nvidia's GPU, or graphics-

processing-unit, chips are central to the development of the most advanced AI models, ones that produce humanlike text, images and audio. They are expensive and have become harder to get as tech titans such as Amazon and Microsoft spend billions of dollars on them in a competition to build up computing power.

For Wall Street, their utility has given them another kind of power, turning them into assets that can backstop loans.

CoreWeave isn't the only chip owner to have borrowed against its stash. At least three such deals have closed since the AI boom took off last year, raising more than \$10 billion

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◆ **Decades-old tech sparks AI standard.....** **B4**



JUSTIN LANE/REUTERS

## Trump's Defense Rests

Donald Trump opted not to testify, and so his lawyers wrapped up their case in his hush-money trial in Manhattan. Jurors were sent home until next week, with closing arguments set for Tuesday. **A4**

## Boring Utility Stocks Wow Market

By DAVID UBERTI

An unlikely stock-market winner this spring stands out even in a year full of Wall Street surprises. Utilities—yes, utilities—are outpacing the competition.

The climb in shares of power companies is in part a rebound from a bleak 2023. But their move upward also

reflects the growing belief that the U.S. economy can power through higher interest rates and turn the hype around artificial intelligence into reality.

Data in recent weeks have shown job growth cooling and inflation resuming its gradual slowdown, without any alarming deterioration in economic conditions. That has turned power generators, which are

set to supply a wave of increasingly energy-hungry data centers needed for AI, into a bank-shot bet on the projected tech boom.

The S&P 500's typically staid utility sector has advanced 18% over the past three

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◆ **S&P 500, Nasdaq reach records.....** **B12**

## INSIDE



### SPORTS

He was the \$13 million QB recruit—now he's suing the boosters who never paid up. **A12**



BLOOMBERG NEWS (2), REUTERS

**BUSINESS & FINANCE**  
CEO pay reached new heights in 2023, with stock awards boosting compensation. **B1**

## Red Lobster Gets Cooked By Endless Shrimp

\* \* \*

As the chain files for bankruptcy, fans rush to dine there—or try to snag a souvenir

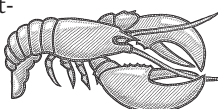
By HEATHER HADDON

Michael Paine loved Red Lobster's coconut shrimp. Maybe too much.

He forked over \$25 for the chain's all-you-can-eat shrimp deal, and got 64 coconut, garlic and dragon-style pieces for his money. "I was very full," he says.

While Paine left satisfied, Red Lobster seems to be drowning in regret.

The promotion proved a shipwreck for one of America's oldest casual-dining chains, with about 600 locations. On Sunday night, it filed for Chapter 11 bankruptcy, aiming to hand ownership to creditors. Elevated debt and slowing traffic had also left the company floundering.



In a pinch

The news sent nostalgia seekers scurrying to dine at the nautical-themed chain, which is still doing \$2 billion in sales a year.

Some fans even dreamed of owning Red Lobster history, as dozens of slated-to-close locations hawked tea brewers, beer dispensers and other kitchen equipment. The actions drew calls from consumers who just wanted a lobster tank for their homes.

"I didn't know there was this level of passion," says liquidator Neal Sherman.

Paine, a 45-year-old cybersecurity specialist, grew up celebrating birthdays at the Nanuet, N.Y. location, mesmerized by the lobster tanks and

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TOGETHER, WE'RE TRANSFORMING HOW YOUR PEOPLE WORK.

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