

THE WALL STREET JOURNAL.

What's News

Business & Finance

- ◆ **Intel was allocated** up to \$7.87 billion to help fund new semiconductor plants in four states, the largest award in the Biden administration's program aimed at reviving American chip-making. **B1**
- ◆ **Major U.S. stock indexes** advanced, with the S&P 500 and Dow rising 0.6% and 0.3%, respectively, to records and the Nasdaq gaining 0.6%. **B11**
- ◆ **Fed officials earlier** this month discussed potentially slowing or pausing interest-rate cuts if progress on lowering inflation stalled, minutes show. **A2**
- ◆ **Five U.S. airlines** collected \$12.4 billion in seat fees from 2018 to 2023, according to a Senate subcommittee report released after a yearlong look into carriers' practices. **B1**
- ◆ **Banco BPM said** a \$10 billion-plus bid from UniCredit undervalues the business, a day after Italy's second-largest bank by assets made a surprise move on its smaller rival. **B3**
- ◆ **Alphabet's Google** proposed further changes to the way its search results work in Europe to satisfy requests from competitors and regulators. **B4**
- ◆ **Roche agreed to buy** San Diego-based Poseida Therapeutics in a deal valued at up to \$1.5 billion, as the company seeks to expand its pipeline and support growth. **B4**
- ◆ **Kohl's, hurt by missteps** in its recent quarter, cut its guidance ahead of the holiday shopping season and before the transition to a new CEO. **B2**

World-Wide

- ◆ **Israel approved** a cease-fire with Lebanon that is intended to bring a halt to more than a year of fighting with Hezbollah and could help defuse a broader regional crisis that has threatened to ensnare the U.S. and other world powers. **A1**
- ◆ **Trump's new tariff** pledges send a clear signal that he wants to rewrite the terms of North America's free-trade pact and follow through with plans to hit China with tariffs. **A1, A6-8**
- ◆ **Trump's promised** duties and tariffs could raise prices for Americans on everything from fresh fruit from Mexico to lumber from Canada and Chinese electronics. **A7**
- ◆ **A trade war** involving retaliatory tariffs between the U.S. and Europe would harm all sides, the European Central Bank's vice president said. **A8**
- ◆ **Trump selected** Kevin Hassett, a longtime adviser, to lead the National Economic Council and trade lawyer Jamieson Greer to be U.S. trade representative. **A5**
- ◆ **Dr. Jay Bhattacharya**, a prominent critic of pandemic health measures, was named to lead the National Institutes of Health. **A3**
- ◆ **The White House said** it is moving to make Medicare and Medicaid cover obesity drugs for people who are obese even if they don't have other diseases like diabetes. **A3**
- ◆ **The IRS's beefed-up** enforcement fund, initially intended to last about a decade, could run dry in 2025 after budget cuts and a quirk in congressional funding. **A4**

NOTICE TO READERS

WSJ.com and WSJ mobile apps will publish throughout the Thanksgiving holiday. The print edition won't appear Thursday.

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Israel, Lebanon Agree to Truce

Cease-fire would narrow the fronts in Israeli fighting and defuse a broader regional crisis



Smoke billows over Beirut's southern suburbs after an Israeli strike Tuesday. A cease-fire was set to take effect Wednesday.

Israel approved a cease-fire with Lebanon that is intended to bring a halt to more than a year of fighting with Hezbollah and could help defuse a broader regional crisis that

*By Dov Lieber
in Tel Aviv and Jared
Malsin and Adam
Chamseddine in Beirut*

has threatened to ensnare the U.S. and other world powers. "I have some good news to report from the Middle East," said President Biden on Tuesday, announcing a cease-fire that he said would begin at 4 a.m. local time Wednesday.

Prime Minister Benjamin Netanyahu of Israel backed the agreement earlier in the day, saying it would let Israel focus on the threat from Iran, allow the Israeli military to rest and re-arm, and isolate Hamas. "The continuation of the cease-fire will be dependent on what happens in Lebanon. We will enforce the agreement and respond forcefully to every violation," Netanyahu said. Prime Minister Najib Mikati of Lebanon welcomed the truce, saying it would bring "calm and stability in Lebanon and the return of the displaced to their homes and cities." Lebanon's cabinet is expected to meet Wednesday to

approve steps to enforce the cease-fire, including sending government security forces to areas of southern Lebanon near the border with Israel. Hezbollah has indicated openness to a deal in recent days. "What concerns us are Lebanese national measures and the protection of sovereignty," said Hassan Fadlallah, a member of Parliament affiliated with the group. The announcements came after a day of heavy bombardment of Beirut while Israeli ground forces advanced deeper into Lebanese territory. Minutes after Biden spoke, a series of explosions thundered in Beirut. Northern

Israel also came under renewed rocket fire. There was no immediate public comment from Hezbollah on the announced cease-fire. If implemented, the agreement would be a diplomatic success for Biden in the twilight of his administration, after more than a year in which the White House has tried to fend off the possibility of a wider regional war. It could also change the landscape that President-elect Donald Trump will face when he takes office in January. The deal would mark a breakthrough for Israel, which had tried for more than a year

How Morgan Stanley Courted Dodgy Clients to Build an Empire

Weak anti-money-laundering controls bedevil its giant wealth-management business, a crucial source of profits

By ANNA MARIA ANDRIOTIS

Morgan Stanley discovered last year that a yearslong brokerage customer had been convicted in 2005 in a U.S. court—for lying about terrorism investigations—and had links to al Qaeda bombings of U.S. embassies. The bank informed law enforcement and shut down the accounts. By then, at least tens of thousands of dollars had been withdrawn from ATMs in Pakistan. It wasn't a rare oversight. In another case, discussed in internal Morgan Stanley documents reviewed by The Wall Street Journal, a self-proclaimed princess claiming to have more than \$5 billion in assets was allowed to engage Morgan Stanley for weeks without the bank carrying out a basic

background check or completing the appropriate due-diligence review. She gave multiple unusual stories for the source of her wealth—among other things she claimed to be related to the last king of Romania and to be the owner of a drug company worth billions. Finally the bank's global financial crimes unit pushed it to cut ties. One of the financial crimes employees described the messy nature of the case in an internal company chat log: "Fantastic—it's like the end of a tarantino flick...everyone just murdering everyone." Morgan Stanley's wealth-management division, which oversees about \$6 trillion of assets, represents close to half the firm's total revenue and has been a crucial source of profits.

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China Firms Lure West's Tech Talent With Huge Raises

OBERKochen, Germany—Executives at Zeiss SMT, which makes indispensable components to build the world's most powerful semi-

*By Bertrand Benoit,
Liza Lin,
Heather Somerville
and Kim Mackraiel*

conductors, got some troubling news last fall. Headhunters from Huawei Technologies, the Chinese tech firm, were trying to poach its employees. Staff with access to sensitive Zeiss know-how received LinkedIn messages, emails and

calls from Huawei representatives, offering them up to three times their salaries to join the Chinese company, according to people with knowledge of the situation. The push triggered an investigation by German intelligence officials, who feared it could provide a backdoor for Huawei to access some of the world's most sophisticated intellectual property. The investigation remains open, people familiar with the matter said. It was the latest sign that talent-poaching has become a crucial front in the battle between the U.S. and China.

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If Marathons Aren't Enough For You, Try the 'Backyard Ultra'

Racers run a four-mile loop every hour—until no one else is still doing it

By RACHEL BACHMAN

The hottest new event in distance running sounds like a riddle. The fastest runner doesn't always win. It has no finish line. And it can drive adults to eat baby food. Behold the backyard ultramarathon, or "backyard ultra." The rules are simple: Run one 4.167-mile loop in an hour. Then do it again and again, each hour on the hour. The race keeps going—sometimes for days—until there's only one person standing. There's no limit on how far the races can go. Run quickly and you get more time to eat or nap, but you also tire out faster. Run slowly and you save energy

but risk missing the start of your next loop and being disqualified. The idea for a backyard ultra started out in rural Tennessee, and the quirky format has since spread around the world. Backyard ultras can be staged on farmland, parkland or anywhere else someone can sketch out a 4-mile course. Bo Shelby was 40 hours into last year's Summit Backyard Ultra in Marble Falls, Texas, when he realized that only one other guy was still going. Shelby, a then-27-year-old who lives outside Denver, thought to himself, "Oh my gosh, I'm about to win." In reality, he had 16 more

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INSIDE



JASON GAY

Brace for sprained ankles: 23 new rules for the family touch football game. **A14**



BUSINESS & FINANCE

Target misfires as shoppers gripe about missing items and long lines. **B1**

Medicare Payouts Vary Widely for Same Drug

By JARED S. HOPKINS AND JOSH ULICK

The cost of prescription drugs in the U.S. isn't like the tabs for other products. The price for a single medicine can range by thousands of dollars depending on the drug plan. It is a symptom of the U.S.'s complicated—and costly—system for paying for medicines. Medicare is paying wildly different prices for the same drug, even for people insured under the same plan. As a result, people covered by Medicare can be on the hook for thousands of dollars in additional out-of-pocket costs depending on where they live and which drug plan they choose. Take commonly used generic versions of prostate-cancer treatment Zytiga. They have more than 2,200 prices in Medicare drug plans. The

generics ring in at about \$815 a month in northern Michigan, about half of what they cost in suburban Detroit, while jumping to \$3,356 in a county along Lake Michigan, according to a recent analysis of Medicare data. The same is true with other popular medicines such as psoriasis treatment Otezla, blood thinner Xarelto and generic versions of the cancer drug Tykerb, known as lapatinib, which has 460 prices, according to the analysis by 46brooklyn Research, a nonprofit drug-pricing analytics group. "How would you like to go every year and figure out again what is the best plan?" said Paula Kirk, 70 years old, who switched her Medicare prescription-drug plan since joining the program five years ago to get a better price for Tykerb, reducing her annual

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