

THE WALL STREET JOURNAL.

What's News

Business & Finance

- ◆ **The Federal Reserve** voted to lower interest rates by a half percentage point, opting for a bolder start in making the central bank's first reduction since 2020. **A1, A2**
- ◆ **Stocks initially climbed** after the decision before receding to swing between small gains and losses. The Dow fell 0.2% while the S&P 500 and Nasdaq both slipped 0.3%. **B1**
- ◆ **The SEC approved** a rule change that would cause the prices of many stocks to be quoted in half-cent increments, a move aimed at lowering costs for investors by narrowing bid-ask spreads. **A1**
- ◆ **All seven** independent directors of DNA-testing company 23andMe have resigned over founder Anne Wojcicki's plan to take the company private. **B1**
- ◆ **Boeing is furloughing** tens of thousands of white-collar employees in an effort to cut costs and avoid a credit-ratings cut amid a strike by its largest union. **B1**
- ◆ **Tupperware**, the iconic food-storage company, has filed for bankruptcy after years of weak sales. **B1**
- ◆ **Alphabet's Google** scored a win after the EU's second-highest court overturned a \$1.66 billion fine that anti-trust officials had imposed on the search giant. **B1**
- ◆ **U.S. importers** are rushing in millions of dollars' worth of electronics, holiday goods and industrial materials to get ahead of a possible strike by dockworkers. **B3**
- ◆ **GameStop CEO** Ryan Cohen will pay nearly \$1 million to settle an alleged antitrust-law violation with the FTC. **B3**

World- Wide

- ◆ **Hezbollah was hit** by another wave of exploding devices, killing 20 people and injuring 450, as Israel signaled it was moving toward more aggressive military action against the Lebanese militant group. **A1, A7**
- ◆ **The U.S. sued** the owner and operator of the container ship that caused the deadly collapse of a Baltimore bridge, seeking more than \$100 million in damages. **A3**
- ◆ **Producer Harvey Weinstein**, whose New York conviction was tossed by the state's highest court, was charged with a 2006 sex crime against one additional woman. **A3**
- ◆ **A national-security ruling** on Nippon Steel's planned acquisition of U.S. Steel may not come until after the November election. **A3**
- ◆ **A federal judge** ordered hip-hop mogul Sean Combs to remain in jail while he awaits trial on allegations he helped run a sex-trafficking enterprise. **A3**
- ◆ **House Speaker Johnson's** proposal to fund the government was voted down as more than a dozen holdout Republicans joined Democrats. **A6**
- ◆ **The Teamsters** said it won't issue a 2024 presidential race endorsement, the first time the union has stayed neutral since 1996. **A6**
- ◆ **AT&T agreed** to remove lead-covered cables from Lake Tahoe after a legal battle with an environmental group. **A6**
- ◆ **Ukraine's incursion** into Russia is further straining Russia's manpower, leading the country's military leaders to again press for mobilization of more recruits. **A16**

| CONTENTS | |
|-----------------------|------------------------|
| Markets..... | B11 |
| Arts in Review..... | A11 |
| Opinion..... | A13-15 |
| Business & Finance B2 | Personal Journal A9-10 |
| Business News..... | B3-6 |
| Sports..... | A12 |
| Crossword..... | A12 |
| Technology..... | B4 |
| Equities..... | B8 |
| U.S. News..... | A2-4,6 |
| Heard on Street..... | B12 |
| World News..... | A7,16 |



Fed Goes Big With Half-Point Rate Cut

Policy shift away from inflation fight is central bank's first reduction since 2020

By NICK TIMIRAOS

The Federal Reserve voted to lower interest rates by a half percentage point, opting for a bolder start in making its first reduction since 2020. The long-anticipated pivot followed an all-out fight against inflation that the central bank launched two years ago. Eleven of 12 Fed voters backed the cut, which brings the benchmark federal-funds rate to a range between 4.75% and 5%. Quarterly projections

released Wednesday showed a narrow majority of officials penciled in cuts that would lower rates by at least a quarter point each at meetings in November and December. The decision to trim rates by a larger amount than most analysts anticipated until a few days ago moved the central bank unwaveringly into a new phase of its inflation battle: It is now trying to prevent past rate increases, which last year took borrowing costs to a two-decade high, from further weakening the U.S. labor market. "We are committed to maintaining our economy's strength," Fed Chair Jerome Powell said at a news conference. "This decision reflects our growing confidence that

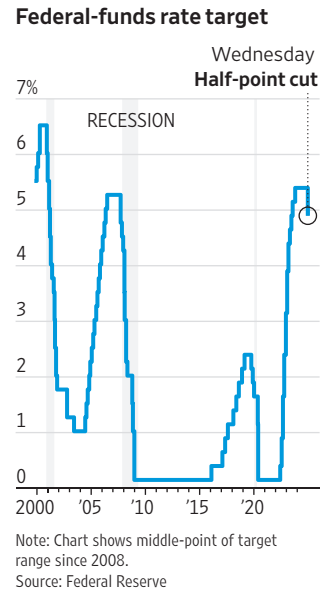
with an appropriate recalibration of our policy stance, strength in the labor market can be maintained." Stocks rose immediately after the announcement, then ended the day lower. The S&P 500 fell 0.3%, and the Dow Jones Industrial Average ended down 0.2%, or about 103 points. Anticipation of rate cuts had buoyed Wall Street in the run-up to the meeting, with the Dow hitting a fresh record on Monday. The rate cut should provide some immediate relief to consumers with credit card balances and to small businesses with variable-rate debt. Long-term borrowing costs—on everything from mortgages to corporate debt—have already

been declining in anticipation of a series of rate cuts this fall, particularly after Powell said last month that reductions were on the way. A rate cut never appeared to be in doubt this week, but analysts were uncharacteristically foggy over the size of the move. Many anticipated a smaller cut of a quarter point, or 25 basis points. Fed officials have often preferred to make smaller changes in order to avoid having to reverse. *Please turn to page A2*

◆ **Rate cut paves the way for overseas central banks... A2**

◆ **Stocks end lower following rate trim..... B1**

◆ **Heard on the Street: Too little consumer debt..... B12**



Lebanese soldiers gathered outside a damaged mobile-phone shop in Sidon on Wednesday after what was believed to be an explosion of a walkie-talkie inside it.

Hezbollah Rocked By Second Wave Of Device Blasts

BEIRUT—Hezbollah was hit Wednesday by another wave of exploding devices, as Israel signaled it was moving toward more aggressive military action against the Lebanese militant group.

By Summer Said, Adam Chamseddine and Rory Jones

Walkie-talkies used by the group blew up in homes, cars and in operatives' hands across the country, people familiar with the matter said—just a day after thousands of pagers carried by Hezbollah members exploded at about the same time. The new attack killed 20 people and injured more than 450, after Tuesday's blasts killed 12 and injured more than 2,800 people, said Lebanon's government, which blamed Israel. The militant group was scrambling to assess the extent of the two days of explosions. Details emerging from

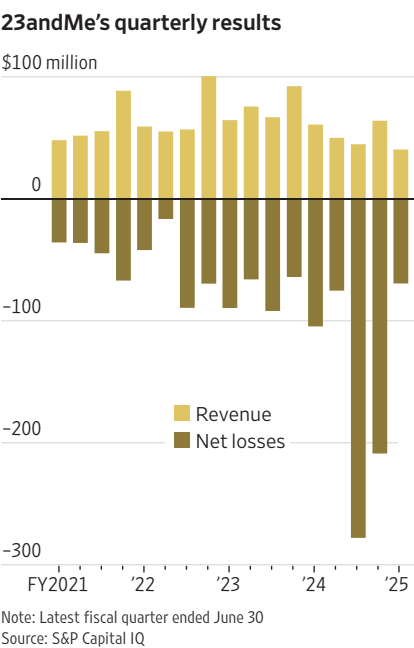
investigations into Tuesday's massive attack pointed to a complex plan carried out by Israel, in which explosives were planted in thousands of devices destined for Hezbollah members and then detonated by a remote signal. Tension across the Israeli-Lebanese border has ratcheted up recently, with heavier exchanges of fire than in earlier months and more aggressive Israeli operations. Israelis are pressuring their government to let residents of evacuated northern communities return. "The center of gravity is shifting to the north. This means that we are moving forces, resources and energy to the north," Israeli Defense Minister Yoav Gallant said Wednesday at an air base in northern Israel. "I estimate *Please turn to page A7*

◆ **Pentagon fears a ground war in Lebanon..... A7**

◆ **A complex strike attacked daily life..... A7**

23andMe Directors Resign

All seven independent directors of 23andMe resigned, following a protracted negotiation with founder and CEO Anne Wojcicki over her plan to take the company private. It is the latest challenge for the DNA-testing company, which has struggled to find a profitable business model. **B1**



Told Pet-Eating Was Untrue, Trump Team Spread It Anyway

Springfield, Ohio, officials informed Vance's staff rumors were baseless. It didn't matter, and now the town is in chaos.

SPRINGFIELD, Ohio—City Manager Bryan Heck fielded an unusual question at City Hall on the morning of Sept. 9, from a staff member of Republican vice presidential

By Kris Maher, Valerie Bauerlein and Tawnell D. Hobbs

nominee JD Vance. The staffer called to ask if there was any truth to bizarre rumors about Haitian immigrants and pets in Springfield. "He asked point-blank, 'Are the rumors true of pets being taken and

eaten?'" recalled Heck. "I told him no. There was no verifiable evidence or reports to show this was true. I told them these claims were baseless." By then, Vance had already posted about the rumors to his 1.9 million followers on X. Yet he kept the post up, and repeated an even more insistent version of the claim the next morning. That night, former President Donald Trump stood on a Philadelphia debate stage and shot the rumor into the stratosphere. *Please turn to page A8*

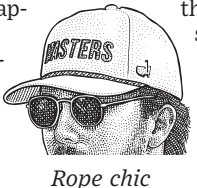
This Fashion Accessory Is Taking Over the NFL

The rise of the retro rope jumps from the golf course to sidelines across the league

By JACOB GALLAGHER AND ANDREW BEATON

Before the start of every NFL season, head coaches across the league are treated to a closed-door fashion show of sorts to preview the league's latest line of approved sideline gear. Yes, beyond fourth-down decisions and when to call timeout, NFL coaches also spend time thinking about what they will actually wear while calling plays. After all, this is how fans will see them when they're snarling at officials or getting doused in Gatorade. But once the season kicked off, even those inside the sport were stunned by the accessory that coaches had

latched onto: the rope hat. "More coaches gravitated toward the rope than we had expected," said Ryan Samuelson, the NFL's vice president of consumer products. NFL sidelines haven't seen a fashion statement like this since Bill Belichick severed the sleeves off his hoodie. But lately, rope hats—a beefy trucker hat with a slender rope running at the foot of the crown—are all over the sports world. During the opening week of the season, 10 of the 20 NFL head coaches who wore a hat embraced rope chic. That made it far and away the most popular style from *Please turn to page A8*



SEC Unanimously Backs Half-Penny Stock Pricing

By ALEXANDER OSIPOVICH

Stock prices in half-cents are coming soon to a brokerage near you. The Securities and Exchange Commission approved on Wednesday a change to market rules that would cause the prices of many stocks to be quoted in increments of \$0.005. The rule change—which could potentially affect thousands of stocks and exchange-traded funds—is part of an overhaul of market plumbing that SEC Chair Gary Gensler initiated after the GameStop trading frenzy of early 2021. It was approved in a unanimous vote by the agency's five commissioners, including two Republicans who have in the past opposed elements of Gensler's agenda. SEC officials said the rule change will help lower costs

for investors by narrowing bid-ask spreads—the difference between the buying and selling prices of stocks. Bid-ask spreads eat into investors' gains when they trade in and out of stocks. If the spreads are tighter, investors save money. For many stocks, such as Ford Motor and Snap, the bid-ask spread is often 1 cent—and it can't get smaller because of longstanding SEC rules that set the minimum price increments for most exchange-listed stocks at a penny. Now, the SEC is creating a two-tier system with two minimum price increments, or "tick sizes." Some stocks would continue to have 1 cent ticks, but others—those where the bid-ask spread is frequently stuck at around 1 cent—would have their minimum price increments reduced to half a cent. *Please turn to page A4*

INSIDE



PERSONAL JOURNAL
Spending a day inside Delta's new ultra-exclusive lounge at JFK. **A9**



BUSINESS & FINANCE
Tupperware files for bankruptcy after struggling with weak sales. **B1**