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DJIA 44736.57 ▲ 440.06 0.99% NASDAQ 19054.84 ▲ 0.3% STOXX 600 508.78 ▲ 0.1% 10-YR. TREAS. ▲ 1 6/32, yield 4.262% OIL \$68.94 ▼ \$2.30 GOLD \$2,616.80 ▼ \$93.10 EURO \$1.0498 YEN 154.19

What's News

Business & Finance

- ◆ **Trump said he will slap steep tariffs on Mexico and Canada, two of America's closest allies, as well as China, indicating he plans to follow through on his tough campaign rhetoric. A1**
- ◆ **Chinese carmaker BYD is completing plans for a factory in Mexico, a push that will test Trump's trade policies and the Mexican government's appetite for conflict with him. A1**
- ◆ **U.S. stocks rose**, with the S&P 500 and Nasdaq both gaining 0.3% and the Dow advancing 1%. Treasuries rallied, driving the yield on the 10-year note down to 4.262% from 4.409% on Friday. **B11**
- ◆ **Walmart will end** some of its diversity programs, the latest big company to shift gears under pressure from a conservative activist. **B1**
- ◆ **Macy's delayed its** quarterly results after finding that an employee had hidden up to \$154 million in corporate expenses over several years. **B1**
- ◆ **Kohl's named a new** chief executive, its third in three years, in hopes that its next leader can reverse the department-store chain's sales slump. **B2**
- ◆ **Federal prosecutors** charged bond investor Ken Leech with fraud, alleging he cherry-picked trades to favor some clients, shifting losses to others. **B4**
- ◆ **Quikrete struck a** \$9.2 billion deal to acquire Summit Materials, bringing together two of the biggest makers of building supplies in the U.S. **B4**
- ◆ **Kodak prepared to** terminate its U.S. pension plan to unlock what could be as much as \$585 million the company would use to cut debt and invest in the business. **B3**

World-Wide

- ◆ **Special counsel Jack Smith** moved to dismiss two landmark criminal cases against Trump on the grounds that longstanding Justice Department policy forbids prosecuting a sitting president. **A1**
- ◆ **Israel's security cabinet** will vote Tuesday on a cease-fire agreement with Hezbollah, Israeli and U.S. officials said, a deal that would end fighting that has destabilized Lebanon. **A1**
- ◆ **Berkshire Hathaway** said that Warren Buffett will give Berkshire shares valued at about \$1.15 billion to four family foundations, supplementing earlier gifts. **A3**
- ◆ **California plans to offer** rebates for electric vehicles if Trump eliminates a \$7,500 federal tax credit for the cars, but Tesla may be excluded from the state's program. **A3**
- ◆ **European allies of Ukraine**, struggling to produce enough weapons for Kyiv's war effort, are experimenting with financing government contracts for Ukrainian arms maker to equip the country's forces. **A7**
- ◆ **An aircraft used by DHL** and flying from the company's hub in Germany crashed while making a forced landing in Lithuania, killing a crew member and plowing into a residential area. **A6**
- ◆ **The United Arab Emirates** named three Uzbek nationals as suspects in the killing of Jewish community leader Zvi Kogan in the Gulf state. **A6**
- ◆ **U.K. authorities said** they charged a 43-year-old man in connection with a bomb hoax near the U.S. Embassy in London last week. **A6**

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Special Counsel Drops Trump Cases

Smith cites policy against prosecution of sitting president, ahead of inaugural

By C. RYAN BARBER

Special counsel Jack Smith moved Monday to drop two landmark criminal cases against President-elect Donald Trump—one accusing him of

plotting to overturn the 2020 election, and another alleging he unlawfully retained classified documents—on the grounds that Justice Department policy prohibits prosecuting a sitting president.

“That prohibition is categorical and does not turn on the gravity of the crimes charged, the strength of the government’s proof, or the merits of the prosecution, which the government stands

fully behind,” Smith’s team said in its request to dismiss the election-interference case.

Trump in a social-media post said, “These cases, like all of the other cases I have been forced to go through, are empty and lawless, and should never have been brought.”

Though Smith’s actions were expected, they formally marked the end of an unprecedented chapter in U.S. history. Trump was the first former

president to be charged with a crime. He has faced four prosecutions in total, with the federal cases joined by charges in New York and Georgia. Those state-level cases remain alive for now, but both face the prospect of dismissal or indefinite delays.

All of the prosecutions were slow to materialize. Trump had been out of office more than two years before he was indicted. That meant the cases played out while Trump

was campaigning for a return to the White House, with prosecutors fighting tight time frames as well as the former president’s defense lawyers, who used an array of maneuvers to prevent the cases from advancing quickly.

“Given that the cases were started late in the Biden administration, and given the likely appeals of any guilty verdicts, we were never going

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Turkey and Pardons on White House Menu Again



YARDBIRDS: Blossom and Peach wait on the South Lawn of the White House on Monday for the traditional Thanksgiving pardon from President Biden. The turkeys will return to Minnesota to live out their days at an agriculture educational center.

Mexico, Canada, China Face Tariffs

By NATALIE ANDREWS AND ANDREW RESTUCCIA

WASHINGTON—President-elect Donald Trump pledged that soon after taking office he will slap steep tariffs on Mexico and Canada, two of America’s closest allies, as well as China, the clearest indication since his election victory that he plans to follow through on

the tough campaign rhetoric that helped propel him to the White House.

Posting on his Truth Social platform, Trump said that on the first day of his presidency he will charge Mexico and Canada a 25% tariff on all products coming into the U.S. He added in a separate social-media post that he would impose an additional 10% tariff on all prod-

ucts that come into the U.S. from China, though he didn’t specify whether that levy would come on his first day in office. Such a tariff would come on top of existing tariffs the U.S. has already imposed on Chinese goods.

“This Tariff will remain in effect until such time as Drugs, in particular Fentanyl, and all Illegal Aliens stop this Invasion

of our Country!” Trump wrote, referencing his proposed tariffs on Canada and Mexico.

Doing so would likely upend the trade agreement that Trump negotiated with the two neighboring countries in his first term, known as USMCA. U.S. goods and services traded utilizing that trade agreement totaled an estimated \$1.8 trillion

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BYD Plant Across Border Makes Waves

By SANTIAGO PÉREZ AND RAFFAELE HUANG

Chinese electric-vehicle maker BYD is completing plans for a factory in Mexico, a push that will test Donald Trump’s trade policies and the Mexican government’s appetite for conflict with the president-elect.

BYD officials said the company is aiming to reach a deal

with Mexico state officials to break ground on a factory near one of the automotive hubs in central or northern Mexico.

The plans put Mexico in a dilemma, made worse by Trump’s threat Monday to impose a 25% tariff on Mexican goods. The country is a major car-manufacturing center and generally welcomes foreign investment for the jobs it

brings. BYD, which rivals Tesla as the biggest electric-vehicle maker in the world, would normally be a prize catch.

But Mexican officials fear a BYD plant would send the wrong message to Trump and the trade hawks around him by suggesting that Mexico wants to be a backdoor for Chinese companies to sell to U.S. consumers.

Mexico has said it wants no such thing—and it needs to persuade the U.S. and Canada of that when talks begin next year on extending the U.S.-Mexico-Canada Agreement on free trade reached during the first Trump administration.

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◆ **Heard on the Street: Trade tensions previewed**..... B12

◆ **U.A.E. arrests three over killing of rabbi**..... A6

Young Daters Square Off With Scientists Over Perfume

Users of ‘pheromone’ fragrances tout chemical effects; ‘like a lion on fresh meat’

By KAYLA YUP

Alannah Gayden was on a date when she decided to spice things up. While her suitor stepped away from their restaurant booth to take a call, the 26-year-old applied Pure Instinct’s Roll-On Pheromone Perfume to the inside of her wrists and her neck.

In her account, her date went wild after he returned to the table. He held her close, smelling her and telling her she was beautiful.

“Never seen a reaction like that in my life,” said Gayden, of Elizabethtown, Ky., who works in social-media marketing.

Young people, some disenchanted with dating apps and looking for new ways to connect, are giving pheromone perfumes a shot. Many of these products claim to con-

tain synthetic versions of sex pheromones—chemicals some species naturally secrete to attract lovers—that the companies say have very real effects. The claims are debatable. People’s willingness to test them is not.

Over the past two years, the number of people talking about pheromone perfume on social media surged nearly 300%, according to social media analytics company Sprout Social. The idea is nothing new in the animal kingdom. Queen bees use pheromones to lure mates. Boars make a pheromone that seduces sows into a mating position.

But scientists say these pheromone perfumes aren’t the love potions they claim to be.

“You’re selling hope,” said Tristram Wyatt, an evolution-

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Love potion?

INSIDE



JASON GAY

College football changed everything this season. Is the game better? **A12**



BUSINESS & FINANCE Restaurant deals lure bargain hunters but don’t secure diners’ loyalty. **B1**

Tesla, a Darling Of Clean Energy, Has A Pollution Problem

Giant Texas factory tried to skirt oversight, former employees say

Elon Musk made big promises to Wall Street about Tesla’s new Model Y SUV in 2022, and the company was ramping up its production in Austin, Texas, when environmental problems threatened to derail his plans.

By Susan Pulliam, Emily Glazer and Becky Peterson

The door to the plant’s giant casting furnace, which melts metal to be molded into the Model Y’s parts, wouldn’t shut, spewing toxins into the air and raising temperatures for workers on the floor to as high as 100 degrees. Hazardous wastewater from production—containing paint, oil and other

chemicals—was also flowing untreated into the city’s sewer, in violation of state guidelines.

Tesla left the costly problems largely unaddressed during the critical ramp-up. As a result, the company’s 10 million-plus square foot plant—among the largest car factories in the world—dumped toxic pollutants into the environment near Austin for months.

This account of the Austin plant’s environmental problems, which haven’t been reported previously, comes from emails between Texas regulators and the company obtained by The Wall Street Journal in response to public-records requests, as well as interviews with former

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