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What's News

Business & Finance

◆ **A congressional investigation** found that Wall Street used billions of dollars of U.S. retirement savings and other investments to buy shares in index funds that included more than five dozen black-listed Chinese companies. **A1**

◆ **Mortgage rates have surged** past 7% and home sales in March posted their biggest monthly drop in more than a year, renewing pressure on the U.S. housing market as uncertainty over real-estate commissions buffets the industry. **A1**

◆ **Apple removed** WhatsApp and Threads from its app store in China, saying it was ordered to by the government, as Beijing tightens internet controls. **B1**

◆ **U.S. stocks ended mixed**, with the S&P 500 and Nasdaq falling 0.2% and 0.5%, respectively, and the Dow eking out a gain of less than 0.1%. Treasury yields rose. **B11**

◆ **Schneider Electric** is in talks to take control of the engineering-software company Bentley Systems in a deal that could be valued at more than \$15 billion. **B1**

◆ **TSMC is reshaping** its business to respond to the AI boom, including doubling capacity for a type of chip in demand from companies like Nvidia. **B1**

◆ **Meta released** Llama 3, the latest edition of the company's publicly available large-language AI model. **B4**

◆ **Members of the** Nordstrom founding family are considering a bid to take the company private. **B3**

◆ **Blackstone reported** higher quarterly earnings as the value of investments rose across its major strategies. **B11**

World-Wide

◆ **Israel retaliated** against Iran's massive drone and missile attack on its territory, a move that threatens to send the countries deeper into an escalatory spiral that could lead to war. **A1**

◆ **The Biden administration** is pushing for a long-shot diplomatic deal that presses Prime Minister Netanyahu to accept a new commitment to Palestinian statehood in exchange for diplomatic recognition by Riyadh. **A7**

◆ **A senior Iranian official** warned that Iran could work on building nuclear weapons if Israel attacks its nuclear facilities, a new escalation in threats by the two sides. **A7**

◆ **Congress is fast-tracking** a bipartisan effort to crack down on TikTok that could lead to passage of a law this month forcing a sale or eventual ban of the Chinese-controlled app in the U.S. **A1, A4**

◆ **A 12-person jury** was picked to decide Trump's fate in his hush-money case, setting the stage for the first criminal trial of a former U.S. president to kick off in earnest next week. **A3**

◆ **The U.S. ambassador** to Russia visited Evan Gershovitch, the Wall Street Journal reporter being held in Moscow, as negotiations continue behind closed doors to secure his release. **A16**

◆ **A Russian physicist** who worked to develop Moscow's hypersonic weapons capabilities was convicted of treason and sentenced to seven years in prison. **A16**

◆ **Died: Dickey Betts, 80**, guitarist co-founder of the Allman Brothers Band. **A2**

◆ **A congressional investigation** found that Wall Street used billions of dollars of American retirement savings and other investments to buy shares in index funds that included more than five dozen blacklisted Chinese companies. **A1**

◆ **The probe, conducted by** a bipartisan House committee empowered to devise strategies for the U.S. to counter China, focused on BlackRock, the world's largest asset manager, and MSCI, a compiler of stock indexes. The investigation represented a broad review of how U.S. financial institutions facilitated investment in Chinese companies accused by the U.S. government of bolstering China's military and violating human rights. **A1**

◆ **The committee, which has** no legislative power, urged U.S. lawmakers in its report to restrict such capital flows as U.S.-China competition intensifies. **A1**

◆ **"What may surprise many** Americans is that this activity is not illegal," the committee said in the report, which was released Thursday. **A1**

◆ **BlackRock and MSCI** said they violated no laws and maintained they have little discretion to independently exclude Chinese entities from index funds. MSCI indexes facilitate investment globally, but MSCI doesn't invest in companies itself. **A1**

◆ **For years, U.S. financiers** have been China's closest allies in Washington. But as China's decadeslong boom is ending, U.S. investors are retreating from the world's second-largest capital market. **A1**

◆ **Renovation spending** expected to fall..... **A2**

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Israel Strikes Iran in Retaliation

Blasts are heard in a city where Tehran has nuclear sites and drone factory

By DOV LIEBER
AND ARESU EQBALI

Israel retaliated overnight against Iran for the massive drone and missile attack on Israeli territory, a person briefed on the matter said—a move that threatens to push the countries deeper into an escalatory spiral that could lead to war.

The strike targeted the area

of Isfahan, the person said. Much remained unclear about the Israeli action, meant as a response to an unprecedented direct attack by Iran that involved more than 300 drones and missiles aimed at Israeli territory, most of which were shot down. That attack on Saturday was itself retribution for a strike attributed to Israel that killed top Iranian officers in Damascus.

Iranian media and social media reported explosions near Isfahan, where Iran has nuclear facilities and a drone factory, and the activation of air defense systems in prov-

inces across the country after suspicious flying objects were detected.

State-run IRNA said that its reporters hadn't found any large-scale damage or explosion anywhere in the country and that no incidents were reported at Iran's nuclear facilities.

Israel was under pressure from the U.S. and Europe to moderate its response and faced the challenge of delivering a blow that would punish Iran for the attack without provoking a response.

Iran has ramped up warnings in recent days that it would respond aggressively to

any Israeli strike. It also signaled Thursday that it could accelerate work on nuclear weapons if its nuclear facilities were targeted.

Iran said Wednesday it was readying its air force for strikes and its navy would escort commercial Iranian ships in the Red Sea.

Israeli officials assured Gulf states and other Arab countries on Monday that any response it makes to Iran's attack wouldn't endanger their security and would likely be limited in scope, The Wall Street Journal has reported.

Israel hasn't taken responsibility for the Damascus

strike. It has said the building was being used for military purposes.

The drones and most of the missiles fired by Iran were shot down by Israeli, American and other allied forces before reaching Israeli territory. Some missiles landed in Israel, causing minor damage.

Tensions High

◆ **U.S. pitches new accord to Israel, Saudis.....** **A7**

◆ **More aid enters Gaza but famine looms.....** **A7**

◆ **For the latest coverage, go to WSJ.com**

Columbia Calls Police to Remove Protest Camp



DISPERSE: Police arrested 108 people Thursday at Columbia University in New York who were protesting the Israel-Hamas war, a day after Columbia's president testified before Congress about antisemitism on campus. **A3**

House Ties TikTok Ban To Foreign Aid Bill Set For Vote

By TIM HANRAHAN
AND GEORGIA WELLS

Congress is fast-tracking a bipartisan effort to crack down on TikTok that could lead to passage of a law this month forcing a sale or eventual ban of the popular Chinese-controlled app in the U.S.

The House plans to vote this weekend on revised TikTok legislation that would tie it to a sweeping package of aid for Ukraine and Israel. The new approach would give TikTok up to a year to find new ownership—versus the six months previously proposed—with the fate of the wildly popular video-sharing app hanging in the balance.

If the House approves the bill, the Senate could vote on *Please turn to page A4*

◆ **After resisting aid plan, Johnson shifted.....** **A4**

◆ **China orders Apple to remove Meta apps.....** **B1**

INSIDE



MANSION Millennials are coming for your golf community, as courses add new amenities. **M1**

Amazon's Secret Operation To Gather Intel on Rivals

Staff went undercover on Walmart, eBay and other marketplaces to find out about competitors' pricing, logistics and practices

By DANA MATTIOLI AND SARAH NASSAUER

For nearly a decade, workers in a warehouse in Seattle's Denny Triangle neighborhood have shipped boxes of shoes, beach chairs, Marvel T-shirts and other items to online retail customers across the U.S.

The operation, called Big River Services International, sells around \$1 million a year of goods through e-commerce marketplaces including eBay, Shopify, Walmart and Amazon.com under brand names such as Rapid Cascade and Svea Bliss. "We are entrepreneurs, thinkers, marketers and creators," Big River says on its website. "We have a passion for customers and aren't afraid to experiment."

What the website doesn't say is that Big

River is an arm of Amazon that surreptitiously gathers intelligence on the tech giant's competitors.

Born out of a 2015 plan code named "Project Curiosity," Big River uses its sales to obtain pricing data, logistics information and other details about rival e-commerce marketplaces, logistics operations and payments services, according to people familiar with Big River and corporate documents viewed by The Wall Street Journal. The team then shared that information with Amazon to incorporate into decisions about its own business.

Amazon is the largest U.S. e-commerce company, accounting for nearly 40% of all online goods sold in the U.S., according to research *Please turn to page A9*

College Gymnastics Fans Flip Out With Fantasy Sports

Enthusiasts track moves like the Yurchenko one-and-a-half; 'You're doing what?'

By LOUISE RADNOFSKY

WASHINGTON—For Conner Jure, the road to this weekend's national college gymnastics championships ran through a modestly attended home meet at George Washington University on a recent Friday night. He was on a scouting mission to see how a senior named Kendall Whitman performed against Ball State. At only \$10 a ticket, he could be close enough to breathe in the chalk flying from the uneven bars, and persuade a friend with parents visiting from the Midwest to drop by.

Then the 4-foot-11 Whitman was up on vault, performing a unique skill in which she runs

into a front handspring to propel herself onto a spring board, does another front handspring onto the vaulting table and pushes off in a piked somersault with a half twist before landing.

The judges' score: 9.75—not great for Jure's 15 fantasy gymnastics teams.

"Oooh, they're being tough on vault today," he said. Jure found better news when he checked scores from other meets on his phone. Minnesota's Mya Hooten had taken a 9.975 on floor and Michigan State's Nikki Smith a 9.975 on vault, "so we love that," he said.

Jure, a public advocacy consultant in Washington, is part *Please turn to page A9*



Stick the landing

Wall Street Invested In Blacklisted Firms In China, Panel Says

By LINGLING WEI

A congressional investigation found that Wall Street used billions of dollars of American retirement savings and other investments to buy shares in index funds that included more than five dozen blacklisted Chinese companies.

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For years, U.S. financiers have been China's closest allies in Washington. But as China's decadeslong boom is ending, U.S. investors are retreating from the world's second-largest capital market. *Please turn to page A6*



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