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DJIA 39411.21 ▲ 260.88 0.67% NASDAQ 17496.82 ▼ 1.1% STOXX 600 518.87 ▲ 0.7% 10-YR. TREAS. ▲ 2/32, yield 4.248% OIL \$81.63 ▲ \$0.90 GOLD \$2,330.00 ▲ \$13.60 EURO \$1.0736 YEN 159.63

## What's News

### Business & Finance

- ◆ **The EU has charged** Apple with failing to comply with a new digital-competition law, alleging its App Store isn't allowing developers to freely direct customers to alternative ways to make purchases. **A1**
- ◆ **Finance chiefs** at U.S. companies are enjoying fatter pay packets as stock-based incentives pushed up compensation last year by 8.45% to roughly \$1.8 million. **B1**
- ◆ **Fashion giant Shein** has filed to go public in London, people familiar with the matter said, a compromise after the China-founded company's plans to list in New York became mired in difficulties. **B1**
- ◆ **Attacks in the Red Sea** trigger gridlock and soaring costs at the start of the peak shipping season. **B1**
- ◆ **Carmakers** are pushing back on a rule that requires automated emergency-braking systems in future vehicles. **B3**
- ◆ **GM's lending arm** has pulled an application for deposit insurance, a pillar in its efforts to move back into banking and expand its auto-finance business. **B3**
- ◆ **Airbus said** it won't meet its aircraft delivery targets for the year, amid commercial and technical challenges. **B3**
- ◆ **Major music companies** are suing two generative AI startups that allow users to compose new tracks using text prompts, alleging they infringed on copyrights in creating the tools. **B4**
- ◆ **Stocks were mixed** with the Dow rising 0.7% and the S&P 500 and Nasdaq losing 0.3% and 1.1%, respectively. **B11**

### World-Wide

- ◆ **Julian Assange is set** to plead guilty this week in his U.S. espionage case, in an agreement that will allow the WikiLeaks founder to soon walk free after spending more than a decade holed up and imprisoned in London. **A1**
- ◆ **The U.S. ambassador** to China says Beijing is interrogating and intimidating its citizens who attend U.S.-organized events in China, ramping up restrictions on the embassy's social-media posts and whipping up anti-American sentiment. **A1**
- ◆ **The Supreme Court** will decide whether states can restrict medical treatments for transgender minors, putting the justices in the middle of a charged national debate over gender identity. **A2**
- ◆ **Biden and other leaders** condemned the violence Sunday when pro-Palestinian protesters blocked access to a Los Angeles synagogue and clashed with pro-Israeli demonstrators. **A3**
- ◆ **Israel's leaders** are preparing for an extended counterinsurgency campaign in Gaza that could leave the enclave mired in violence and instability. **A6**
- ◆ **A terrorist attack** that killed at least 20 people over the weekend in Dagestan exposes some of Russia's growing security weak spots deep in its hinterland. **A7**
- ◆ **The EU imposed** new sanctions on Russia over its Ukraine invasion, targeting LNG shipments for the first time. **A7**
- ◆ **At least 22 people** died in a fire at a lithium-battery factory in South Korea. **A18**

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## River Floodwaters Engulf Midwest Cities



FERRY MENENGA/ZUMA PRESS

**IN DEEP:** A man stands outside his home Monday in Sioux City, Iowa, which was inundated by floodwaters from the Big Sioux River. Rising rivers spilled over after days of heavy rain, especially hitting parts of Iowa, South Dakota and Minnesota. **A4**

## WikiLeaks' Assange Cuts Deal To Plead Guilty, Gain Freedom

By SADIE GURMAN AND ARUNA VISWANATHA

WASHINGTON—Julian Assange was set to plead guilty this week in his U.S. espionage case, in an agreement that would allow the WikiLeaks founder to soon walk free after spending more than a decade holed up and imprisoned in London, largely to avoid being sent to the U.S.

Assange was expected to plead guilty to a felony charge of conspiring to obtain and distribute classified information, according to a court document and people familiar with the matter, over the website's publication of thousands of confidential U.S. military records and diplomatic cables about the U.S.'s actions in Iraq and Afghanistan in the 2000s. The plea is expected to take

place on Wednesday morning in Saipan, the U.S. territory in the Western Pacific. Assange is expected to be sentenced to the 62 months he has already spent in a London prison and be allowed to return to his native Australia after his sentencing, according to the people.

After the plea agreement was announced, WikiLeaks said on X that Assange had left the U.K.

Prosecutors had been in talks with Assange to resolve the 2019 case, The Wall Street Journal reported in March, with one sticking point being Assange's desire to never set foot in the U.S. To enter a felony plea, defendants generally have to show up in person in court.

Assange's team had floated the possibility of pleading

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## Apple Hit By First Charges Under EU Tech Law

Move marks iPhone maker as company so far most targeted by the measure

By KIM MACKRAEL

The European Union charged Apple with failing to comply with a new digital-competition law, alleging the iPhone maker's App Store isn't allowing developers to freely direct customers to alternative ways to make purchases. The charges unveiled on Monday are the first to be issued under the EU's Digital Markets Act, which took effect this year and sets out a long list of rules aimed at boosting competition in digital advertising, online search and app ecosystems.

Apple could be fined as much as 10% of its worldwide revenue if EU regulators determine the company broke the DMA's rules.

The charges cement Apple as the tech company that EU regulators are so far targeting the most aggressively under the new law. They come after the bloc fined Apple about \$2 billion in March in a separate case that used traditional antitrust powers to address concerns related to the App Store.

The EU actions add to the regulatory challenges that Apple is facing. The Justice Department sued Apple this year over allegations the company

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## U.S. Envoy Says China Undercuts Diplomacy

By JONATHAN CHENG

BEIJING—President Biden and President Xi Jinping of China agreed in November to boost engagement between ordinary Chinese and Americans, part of an effort to repair fraying ties ahead of a tense election year in the U.S.

Instead, says Nicholas Burns, Washington's ambassador in Beijing, China has actively undermined those ties, interrogating and intimidating citizens who attend U.S.-organized events in China, ramping up restrictions on the embassy's social-media posts and whipping up anti-U.S. sentiment.

"They say they're in favor of

reconnecting our two populations, but they're taking dramatic steps to make it impossible," Burns said in an interview with The Wall Street Journal.

The 68-year-old Burns, a veteran diplomat who took up his post in April 2022, used unusually forceful language to criticize what he described as an effort by Beijing to weaken the U.S.'s standing and disrupt its diplomatic activities in China.

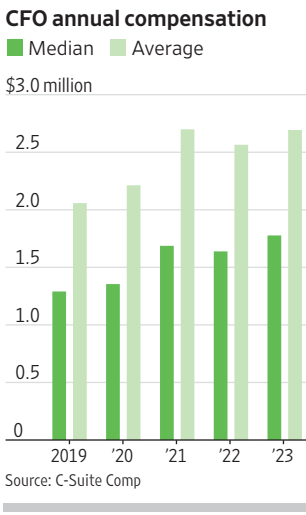
The remarks show there has been growing concern among U.S. officials about Beijing's sincerity in improving relations.

Burns also took aim at Beijing for what he described as

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## CFO Pay Packets Climb

Stock-based incentives boosted the median CFO pay package by 8.45% in 2023. **B1**



## FTX Legal Battles Threaten Payday For Hedge Funds

The FTX bankruptcy was looking like a hedge-fund trade for the ages, set to make

By Caitlin McCabe, Alexander Saeedy and Jiyoung Sohn

hundreds of millions of dollars for intrepid culture investors. That was before things got messy.

Hedge funds and other distressed investors rejoiced last month when bankruptcy managers said the corporate car-

cass of FTX, Sam Bankman-Fried's collapsed crypto exchange, had enough assets to more than make its creditors whole.

Since FTX's 2022 implosion, hedge funds had scooped up the rights to customers' frozen accounts for pennies on the dollar, with five firms alone buying claims with a combined face value of about \$2.4 billion. That meant a huge payday was in store.

But collecting these win-

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## Workers Head To Music Boot Camp

Songwriters help teams rhyme and create harmony

By LAUREN WEBER

NASHVILLE, Tenn.—“Can we rhyme ‘suck less’ with ‘success’?”

Victoria Banks, a country musician who has written hits for Reba McEntire and Sara Evans, strummed her guitar and began humming a melody as she encouraged a group of about 16 software consultants in hoodies and jeans to throw out more rhymes. They tried.

“Stress?” “Process?” “Make your Salesforce the best?”

Within an hour, the group—one of four teams spread out on the first two floors of Nashville's Virgin Hotel—had written a twangy number about cloud software, complete with two verses, a bridge and a chorus that referenced the business apps Notion and TaskRay.

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## Kyiv's Naval Drones Are Turning the Tide

Ukraine's unmanned vessels harass Russian fleet, part of a revolution in warfare

By JAMES MARSON

KYIV, Ukraine—The Russian naval corvette had just left the safety of Sevastopol Bay one morning last fall when an explosion ripped a hole in its hull.

As tugs pulled the ship back to port on Sept. 14, Russian state news agencies claimed it had fought off the latest

attack by Ukrainian naval drones—small, explosive craft that had for months been ramming Russian naval ships in the Black Sea. This time, Ukrainian officials added a twist, saying their forces had used an “experimental weapon” as well as drones.

In an interview, the architect of Ukraine's groundbreaking naval drone program said that the attack marked a

first in warfare: The Russian ship had been disabled by a mine laid by a Ukrainian unmanned craft that had hauled it some 250 miles before returning to port.

“Before, naval drones were used mostly for surveillance or logistics,” said Brig. Gen. Ivan Lukashevych of the Security Service of Ukraine, the coun-

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## Stephen A. Is ESPN's Biggest Star, And He's Going to Cost—a Lot

By ISABELLA SIMONETTI

Stephen A. Smith recently gave a colleague some unsolicited career advice—on the air.

Smith, ESPN basketball analyst Andraya Carter and others were discussing Caitlin Clark's Olympics snub on ESPN's “First Take,” a weekday sports debate show. When Carter said Clark—a college superstar who has been off to a rocky start as a WNBA rookie—didn't deserve to make the USA Basket-

ball roster and wouldn't be in the conversation if it wasn't for marketing considerations, Smith interjected.

“I am telling you right now you are going to be underpaid for the rest of what I believe will be an illustrious career unless you get your mind right about that marketing,” Smith said. “It matters.”

As one of ESPN's biggest stars, Smith knows a thing or two about marketing and self-promotion. His uncanny ability

to dominate the conversation—whether by weighing in on controversies or starting them himself—has helped him become a ratings juggernaut for a network that needs one.

To his critics, Smith is a loudmouth provocateur; to others, he is a genius who understands what it takes to grab viewers' attention in a noisy media environment. In an era when hot takes win, Smith takes pride in having the hot-

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## INSIDE



### SPORTS

The Florida Panthers win the Stanley Cup, foiling Edmonton's series comeback. **A14**