



H.R. McMaster on Trump and Putin
REVIEW

WSJ

THE WALL STREET JOURNAL **WEEKEND**



What's News

Business & Finance

- ◆ **Fed chief Jerome Powell** gave his strongest signal yet that interest-rate cuts are coming soon, saying the central bank intends to act to stave off a further weakening of the U.S. labor market. **A1**
- ◆ **U.S. stocks extended** their recent advance after Powell's remarks, with the S&P 500 and Dow both gaining 1.1% and the Nasdaq rising 1.5%. **B10**
- ◆ **J&J told certain** U.S. hospitals that they will have to pay full price for two drugs that the company has sold at a discount and can apply later for a rebate. **B9**
- ◆ **Delta's chief operating officer**, Mike Spanos, will leave the airline to take a role at another company, Chief Executive Ed Bastian told employees. **B9**
- ◆ **Nestlé Chief Executive Mark Schneider** was pushed out of the company and learned he would lose his job just 24 hours before it was announced publicly, according to a person familiar with the matter. **B9**
- ◆ **The Teamsters union** contested Ottawa's authority to impose binding arbitration to end a labor stoppage at two of Canada's major railways. **B9**
- ◆ **Ernst & Young said it** would cut ties with many U.S. public companies as audit clients, moving to revamp its audit practice and improve the quality of its work. **B10**

World-Wide

- ◆ **Independent presidential candidate Robert F. Kennedy Jr.** said he would suspend his election bid and endorse Trump, potentially boosting the Republican after Democrats left their convention with renewed hope for a win. **A1, A5**
- ◆ **The Justice Department** and eight states filed suit against real-estate software provider RealPage, accusing the company of deploying a rent-setting algorithm that allows landlords to illegally coordinate price increases. **A3**
- ◆ **Weeks after his visit** to Moscow infuriated Ukraine, Indian Prime Minister Narendra Modi made his first trip to Kyiv and offered his help to end the Russia-Ukraine war as a "friend" to President Zelensky. **A6**
- ◆ **Security officials shot** dead four Islamist militants who attacked their guards in a high-security prison in southern Russia before taking a dozen people hostage, the latest violent incident to challenge the Kremlin. **A6**
- ◆ **An attacker with a knife** killed three people and seriously wounded at least five at a festival in the German city of Solingen, according to police, who said the assailant was on the run. **A9**

NOONAN

Harris gets off to a strong start **A13**

JOURNAL REPORT

Travel: The fun of spontaneous trips **R1-10**

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Powell Tees Up Rate Cuts

Fed chair says 'time has come' to stave off more cooling in the labor market

By PAUL KIERNAN

JACKSON HOLE, Wyo.—Federal Reserve Chair Jerome Powell gave his strongest signal yet that interest-rate cuts are coming soon, saying the central bank intends to act to stave off a further weakening of the U.S. labor market.

"We do not seek or welcome further cooling in labor market conditions," Powell said in a speech at the central bank's annual gathering in the Grand Teton National Park on Friday. "The time has come for policy to adjust."

Investors had already been expecting a rate cut in September, but markets still reacted to Powell's words. Stock indexes rose, with the Dow Jones Industrial Average adding more than 400 points, or about 1.1%. The Nasdaq Composite zipped up 1.5%. Treasury yields slipped.

Powell's comments Friday all but bring to a conclusion the Fed's historic inflation-fighting campaign, one that Powell amplified from the same stage two years ago when he signaled his readiness to accept a recession as the price of lowering inflation.

"Chair Powell's Jackson Hole speech was as clear a pivot toward supporting the labor market as could be imagined," said Marc Sumerlin, managing partner at economic consulting firm Even-

flow Macro.

Fed officials' next policy meeting is scheduled for Sept. 17-18. They are widely expected to lower the benchmark federal-funds rate at that meeting.

The Fed held rates steady at its most recent meeting in late July, though several officials saw a case for cutting at that meeting. Two days later, the Labor Department reported that unemployment rose to its highest rate in nearly three years. Inflation, *Please turn to page A2*

Sea of Blue and Yellow Marks Ukraine's Flag Day



TRUE COLORS: Kyiv residents celebrated the Day of the National Flag on Friday, the eve of the 33rd anniversary of the country's declaring independence from the Soviet Union on Aug. 24, 1991. It came as Indian leader Narendra Modi visited Kyiv. **A6**

TNT Plans For Life Without The NBA

By JOE FLINT

For the past couple of years, Warner Bros. Discovery neglected its flagship TNT cable network as it focused on building its nascent streaming service, betting that a mix of live sports and reruns would satisfy viewers and distributors.

Now, the entertainment conglomerate is rethinking its cable-network strategy, a move that comes against the backdrop of losing its highest-profile sports property and a potentially fatal blow to its streaming expansion.

The company has begun working on beefing up original programming for its TNT cable network, people familiar with the matter said, which will involve an increase in spending.

Shows in the works for 2025 and beyond include what one executive described as "high-adrenaline" dramas that will play well with the channel's male audience and be a good fit with the network's sports programming.

TNT has acquired "The Librarians: The Next Chapter," a sequel to the supernatural adventure series "The Librarians," which aired on the network for four seasons. The network is also planning to raid the Warner Bros. movie library to reboot several films into made-for-TV movies or series for TNT, the people said.

The move marks a return to its roots of sorts for a network whose longtime slogan was *Please turn to page A2*

China's Exports Squeeze Businesses Worldwide

Beijing ramps up production of goods headed overseas

By LINGLING WEI AND JASON DOUGLAS

China is cranking up its massive export machine again, and this time there's nowhere for competitors to hide.

A Massachusetts startup called CubicPV bet on silicon wafers, a high-tech component in solar panels. Buoyed by President Biden's climate legislation enacted two years ago, with billions of dollars in tax credits and government loans, CubicPV announced plans in late 2022 for a \$1.4 billion wafer plant in Texas.

Since then, China has nearly doubled its output of silicon wafers, way more than it needs. The extra wafers had to go somewhere—and they went overseas, pushing prices down by 70%. CubicPV had to halt its production plan

early this year, putting engineers and other employees out of work, citing "a distorted market as a result of China's overcapacity."

In Chile, iron ore miner and steelmaker CAP is grappling with Beijing's continued commitment to low-end commodity manufacturing, as an onslaught of cheap Chinese metal hits its shores. The firm said this month that it would shutter its giant Huachipato steel mill in central Chile indefinitely, with the loss of some 2,200 jobs. The company said it can't compete with low-price Chinese metal even after the government raised tariffs on steel bars and other imported products.

Beijing's solution to a weak Chinese economy—putting the country's factory sector on *Please turn to page A10*

The 'Teen Night' Scandal Rocking a Tiny Jersey Shore Town

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Community decries adolescent mayhem. 'Once the sun sets, it's a whole other scene.'

By JAMES FANELLI

For decades, local clubs and restaurants near the famous "Jersey Shore" have hosted teen nights that offer the underage crowd the chance to party and dance without alcohol—or the prying eyes of customers over 21.

For the New Jersey borough of Beach Haven, the events have become a spur in the sandals. Before the summer rush, the town council voted 3-2 to ban teen

nights, citing police concerns about hell-raising adolescents disturbing the vibe in this tiny family resort town. The events themselves may be

dry, but some attendees drink or smoke pot before they go, local police chief James Markoski told the council.

"I'm not against teen night. It had its place. It's just right now it's out of control," Markoski said.

Michael Battista, Beach Haven's former mayor and the *Please turn to page A10*



Teenage dream

EXCHANGE



15 MINUTES

How tragedy struck a tech mogul's yacht in the Mediterranean. **B1**

Kennedy Pulls Out Of Race, Endorses Trump

Candidate, whose support eroded, introduces wild card into tight contest

By ELIZABETH FINDELL AND NATALIE ANDREWS

PHOENIX—Independent presidential candidate Robert F. Kennedy Jr. said he would suspend his election bid and endorse Donald Trump, potentially boosting the Republican former president just after Democrats left their convention with renewed hope for a win in November.

"I promised the American people that I would withdraw from the race if I became a spoiler," Kennedy said at a rally here Friday. "In my heart, I no longer believe that I have a realistic path to electoral victory in the face of this relentless, systematic censorship and media control."

Kennedy, a 70-year-old environmental lawyer and son of liberal icon Sen. Robert Kennedy, was unable to build on an initial surge of interest in his campaign—despite polls showing significant voter dissatisfaction with an expected 2020 rematch of Trump against President Biden. Vice President Kamala Harris's entrance into the race last month in place of *Please turn to page A4*

- ◆ **Newcomers, old guard mix** at Chicago convention.... **A5**
- ◆ **Analysis: Harris defines a new normal**..... **A5**

Campaigns Go Light On Policy Specifics

By AARON ZITNER AND ANDREW RESTUCCIA

CHICAGO—The just-concluded Democratic convention made one thing clear about the presidential race: This isn't a policy-paper election.

Vice President Kamala Harris, who accepted the Democratic nomination on Thursday, has in her brief campaign offered a set of ideas and impulses about the course she would pursue as president, but with less detail than many candidates have provided in the past.

That may leave policy-focused voters frustrated as they consider how she would pay for her economic proposals, including an expanded child tax credit and help for first-time home buyers. She also hasn't specified how she would handle pressing foreign policy matters, such as countering the rise of China and dealing with the Israel-Hamas war.

Donald Trump has also been scant with details: He has proposed ending taxes on Social Security benefits, but he hasn't said how he'd cover the cost—estimated by independent analysts at \$1.6 trillion or more—or handle the additional instability it would cause to the program's solvency.

"I've been analyzing presidential platforms since the 2008 election, and with some exceptions it seems that in each election there's less detail and less concern about paying for stuff," said Marc Goldwein, senior vice president at the *Please turn to page A4*