

THE WALL STREET JOURNAL.

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Last week: DJIA 38904.04 ▼ 903.33 2.27% NASDAQ 16248.52 ▼ 0.8% STOXX 600 506.55 ▼ 1.2% 10-YR. TREASURY ▼ 1 14/32, yield 4.377% OIL \$86.91 ▲ \$3.74 EURO \$1.0840 YEN 151.60

What's News

Business & Finance

◆ **More traders are betting** the Fed may cut the benchmark federal-funds rate just once or twice this year, fewer than officials' last median forecast, and a handful are starting to wager that the central bank will leave rates where they are. **A1**

◆ **The coming earnings** season will show investors whether corporate profits are backing up a stock-market rally that has seen the S&P 500 increase 9.1% year to date. **B1**

◆ **Musk vowed to fight** an order by Brazil's Supreme Court to remove several X accounts, calling for the resignation or impeachment of one of the country's most powerful judges. **B1**

◆ **Japan's largest telecom** company and biggest newspaper called for laws to restrain generative artificial intelligence, saying democracy and social order are at risk if AI is unrestrained. **B4**

◆ **Across the U.S.**, insurance companies are using aerial images of homes as a tool to drop properties seen as higher-risk because of aging roofs, yard debris and other red flags. **B1**

◆ **Banks and credit unions** are catching on to rules that allow college athletes to profit from their name, image and likeness, as endorsement deals have exploded since 2021. **B1**

◆ **A collection of aging steel** plants along the Monongahela River southeast of Pittsburgh is taking on a central role in Nippon Steel's \$14.1 billion gambit to acquire 123-year-old U.S. Steel. **B3**

World-Wide

◆ **Hamas's attack on** Israel six months ago and the state's response to it have upended the nation now censured by other international actors, destroyed its sense of security and thrust it into an open argument with its U.S. ally. **A1, A6-7**

◆ **Talks for a cease-fire** in Gaza and for the release of hostages resumed in Cairo, as Israel allowed a significant increase in humanitarian aid into the enclave and international pressure built to reduce the civilian toll of the fighting. **A6**

◆ **Party-line fractures** over aid to Ukraine and Israel have blurred the possible outlines of a bill on help for Kyiv that Speaker Mike Johnson has pledged to bring to a vote in the House. **A4**

◆ **A Trump fundraiser** pulled in \$50.5 million, but one of the biggest donors to the former president's 2020 campaign hasn't yet written a check for the current contest. **A4**

◆ **Some U.S. shelters** for immigrants are instituting length-of-stay limits to conserve resources in the face of what states and cities see as inadequate federal support. **A3**

◆ **Ecuador faced** widespread criticism after police raided the Mexican Embassy in Quito to detain a former Ecuadorian vice president granted political asylum by Mexico. **A9**

◆ **An Oregon lottery** player won a \$1.3 billion Powerball jackpot after Saturday night's drawing was delayed for several hours for security procedures. **A3**

JOURNAL REPORT

Investing Monthly:
3 ways to get lower mortgage rates. **B7-8**

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A Perfect Ending to Women's NCAA Tournament



TEAM WIN: South Carolina's Gamecocks overcame an early deficit and finished off an undefeated season by beating Iowa—and its star, Caitlin Clark, who scored 30 points—87-75 to claim its third national championship since 2017. **A14**

Six Months After Hamas Attack, Israel's World Is Upside Down

BY SHAYNDI RAICE
AND DOV LIEBER

TEL AVIV—On Oct. 6, Israel appeared on the cusp of a new era of recognition from the Muslim world, close to a peace deal with Saudi Arabia that would move it to the center of a realigned Middle East after years on its fringes. The historic conflict with the Palestinians that had defined its existence for most of its 75-year history appeared to have finally receded into the background. It all changed on Oct. 7.

Today, after a bloody attack that might have brought it the

world's sympathy, Israel is closer to being a global pariah than ever before. Its Saudi peace deal is on hold. The Palestinian question is again roiling its Arab neighbors. It is in open argument with its main ally, the U.S. And its physical living space has been shrunk by dangers on its northern and southern borders.

Talks for a cease-fire in Gaza and the release of hostages held by Hamas resumed on Sunday in Cairo, as international pressure built to halt the fighting and Israel allowed a significant increase in humanitarian aid into the en-

clave on Sunday. Israel said on Sunday it had finished operations in the southern Gaza city of Khan Younis.

In six months, the world has turned upside down for this small nation. On Oct. 7—or Black Sabbath, as Israelis now call it—the Jewish state experienced a fundamental shock that upended its sense of security and belief in the strength of its military. It responded with a heavy-handed invasion of Gaza that in much of the world's eyes left it the aggressor and its attackers the victims. The resulting isolation could be

more of a threat to its future than the attack by Hamas that killed 1,200 people on Oct. 7.

“Israel's longevity is in question for the first time since its birth,” said Benny Morris, an Israeli historian. The only time Israel faced a similar existential threat, he said, was in its war for independence in 1948, when it battled five Arab countries and local Palestinian militias.

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◆ **Gaza cease-fire discussions resume.....** A6
◆ **Return to North Gaza is key issue.....** A6

SEC Gains Ground In Battle To Regulate Crypto

BY DAVE MICHAELS
AND ALEXANDER OSIPOVICH

Crypto's fight with U.S. regulators is starting to pay dividends—for the government. The Securities and Exchange Commission notched a court victory on Friday against brash crypto entrepreneur Do Kwon. His TerraUSD and Luna tokens collapsed in 2022, wiping out \$40 billion in value and causing huge losses for investors around the world.

After a two-week civil trial, a jury in New York agreed with the SEC's claims that Kwon and his firm, Terraform Labs, defrauded investors by misleading them about the stability of TerraUSD, a so-called stablecoin designed to maintain a value of \$1. Kwon had claimed that TerraUSD would “self-heal” if its value ever dropped below the peg.

The decision was the latest in a series of federal court wins bolstering regulators' efforts to force the freewheeling industry to comply with the same laws that govern the stock and bond markets. Crypto firms have pushed back against the SEC's campaign, saying it would hamper innovation if they were forced to comply with securities laws that date to the 1930s.

Jurors in the Kwon trial heard from investors who lost their savings in the TerraUSD-Luna crash, as well as whistleblowers who gave evidence that Kwon misled investors. Kwon didn't attend the trial because he has been detained in Montenegro for more than a year as South Korea and the

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INSIDE



WORLD NEWS
Haitian warlord celebrates murder and rape on social-media account. **A8**

BUSINESS NEWS
Insurers use aerial images of homes as a tool to ditch properties seen as higher risk. **B1**

The Race Is On to Make A Sexy Fiber Supplement

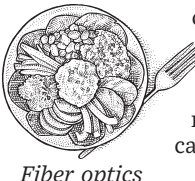
Companies are pitching products to the Stanley cup generation; gut health is trendy

BY SARA ASHLEY O'BRIEN

It's hard to imagine that the company behind a “Hot Girls Have IBS” campaign would feel bashful about frank marketing. But for years, the co-founders of BelliWelli, known for its gut-friendly snack bars, thought using the word “fiber” was a nonstarter.

That calculation has changed. “Fiber,” said co-founder and chief executive Katie Wilson, “deserves a glow up.”

BelliWelli's latest product, Daily Fiber and Probiotic, a powder supplement launched in March, aims to be, per chief operating officer Tyson Woeste, “Metamucil for the Stanley cup generation” (re-



Fiber optics

ferring to the trendy water bottles, not the hockey trophy).

Fiber products with colorful, millennial-friendly packaging are flooding the market. Among the offerings are drink mixes with slogans such as “for a better you” as well as capsules packed in Barbie-pink bottles.

Marketing features fit young people. The result looks less clinical, more aspirational. “Metamucil, Benefiber, Fiber One are really our grandparents' fiber,” said Kurt Seidensticker, the founder of Vital Proteins, a collagen-supplement company that sold to Nestlé for an undisclosed amount in 2022. Now, he's throwing his weight behind fiber.

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SWING STATES

Pennsylvania Fracking Boom Weighs on Biden's Chances

Economic churn pushes voters toward Trump in Pittsburgh area, potentially overwhelming Democrats' base

BY AARON ZITNER AND KRIS MAHER

John Sabo and Josh Thieler grew up in Pittsburgh-area communities that were hit hard as 200,000 steel and manufacturing jobs disappeared from the region, upending their parents' generation and leaving main streets pocked with empty storefronts.

Sabo, the son and grandson of mill workers, says his father rarely found steady work after losing his job in a U.S. Steel mill, leaving Sabo to “know what government cheese tastes like.” Thieler spent part of his childhood in a trailer park in a small city that shed nearly half its population as families

hunted elsewhere for work.

Today, both men have good jobs in thriving industries. But their paths to a better life have landed them in different sectors of the region's new economy and changed their political identities, turning one into a staunch Republican and the other into a progressive Democrat.

Pittsburgh is at the center of a class inversion between the two parties that is redefining American politics. Democrats have traded their former blue-collar base for professional-class, metropolitan workers, while Republicans have become overwhelmingly de-

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More Businesses Offer Child Care at Work

BY HARRIET TORRY
AND ESTHER FUNG

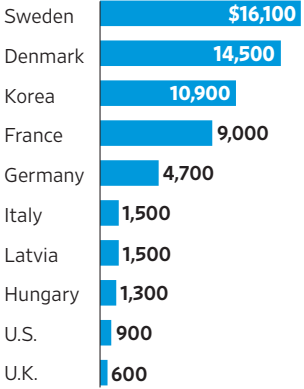
Zach Wiley left his job at a coffee roastery in rural Virginia in 2021 because he found the 45-minute commute from Roanoke too onerous.

Less than a year later he returned to his former employer, this time moving his family into a house they bought in the neighborhood. What helped? The employer, Red Rooster Coffee, offered subsidized on-site child care.

“The child care is just huge. I don't know what we would do without it,” said the 31-year-old, who pays \$2 an hour each for his toddler son and infant daughter's daycare. “Our son loves it, and I never worry about him. He's right through the next door.”

Red Rooster Coffee is among a growing number of businesses in high-turnover

Public spending on care per child, in dollars



Note: Public expenditure on early childhood education and care per child aged 0-2, in U.S.-dollar purchasing power parity, 2019. Source: Organisation for Economic Co-operation and Development

industries that are turning to child care as a solution for staffing problems.

Restaurants, warehouse op-

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