

# THE WALL STREET JOURNAL.

DOW JONES | News Corp \*\*\*\*\*

TUESDAY, NOVEMBER 28, 2023 ~ VOL. CCLXXXII NO. 126

WSJ.com

★★★★ \$5.00

DJIA 35333.47 ▼ 56.68 0.16% NASDAQ 14241.02 ▼ 0.1% STOXX 600 458.41 ▼ 0.3% 10-YR. TREAS. ▲ 25/32, yield 4.388% OIL \$74.86 ▼ \$0.68 GOLD \$2,011.80 ▲ \$9.60 EURO \$1.0954 YEN 148.69

## What's News

### Business & Finance

- ◆ **Shein, the China-founded** online fashion company that won over hundreds of millions of shoppers around the world, has confidentially filed to go public in the U.S. in what could be one of the biggest IPOs in years. **A1**
- ◆ **Amazon has grabbed** the crown of biggest delivery business in the U.S., surpassing both UPS and FedEx in parcel volumes. **A1**
- ◆ **Stocks inched down**, interrupting the November rally. The S&P 500 and Dow each declined 0.2%, while the Nasdaq lost less than 0.1%. **B9**
- ◆ **Investors now believe** there is a much greater chance that the Fed will cut rates in just four months than raise them again in the foreseeable future. **B1**
- ◆ **The number of U.S. workers** who say they are angry, stressed and disengaged is climbing, according to Gallup's 2023 workplace report. **A1**
- ◆ **ByteDance has told** senior managers at its video-game unit, Nuverse, to terminate games under development by December and is laying off hundreds of employees at the division. **B1**
- ◆ **Tesla's decision to clad** its electric pickup in stainless steel has complicated its launch of the new model. **B1**
- ◆ **Jeff Shell, the former** chief executive of NBCUniversal, is in advanced talks to join private-equity firm RedBird Capital Partners. **B3**
- ◆ **The new owners of** Buybuy Baby recently reopened 11 stores, betting that many expectant parents still prefer to shop for strollers, cribs and car seats in person. **B1**

### World-Wide

- ◆ **Israel and Hamas agreed** to a two-day extension of their truce in Gaza to allow for the release of more Israeli hostages as part of a fragile agreement that has brought respite from seven weeks of war. **A1**
- ◆ **The cease-fire has** allowed a surge of aid to reach Palestinians in Gaza, but humanitarian groups and civilians in the enclave say the convoys aren't nearly enough to address the needs of the strip's two million people. **A8**
- ◆ **Elon Musk said** that those "intent on murder must be neutralized" after touring an Israeli kibbutz that was attacked by Hamas on Oct. 7. **A8**
- ◆ **President Biden won't** attend a United Nations climate summit being held in Dubai this week. **A4**
- ◆ **Moscow holds** the advantage on the military, political and economic fronts as Russia's war against Ukraine approaches its third year. **A9**
- ◆ **The man arrested** in connection with the shooting of three young men of Palestinian descent in Burlington, Vt., was charged with attempted murder. **A6**
- ◆ **Six teenagers went** on trial in France, accused of helping the man who beheaded schoolteacher Samuel Paty three years ago. **A9**
- ◆ **The University of North Carolina** graduate student charged with fatally shooting his faculty adviser has been found unfit for trial. **A2**
- ◆ **Sierra Leone's president** said most of the leaders of weekend attacks on the nation's main military barracks and prisons were arrested. **A9**

<b>CONTENTS</b>	Markets Digest..... B6
Arts in Review..... A13	Opinion..... A15-17
Business & Finance B2	Personal Journal A11-12
Business News..... B3	Sports..... A14
Crossword..... A13	Technology..... B4
Heard on Street..... B10	U.S. News..... A2-4,6
Markets..... B9	World News..... A8-9



© 2023 Dow Jones & Company, Inc. All Rights Reserved

## A Visit From St. Nicholas, White House's Version



**HALLS DECKED:** First lady Jill Biden showed off the White House Christmas decorations Monday, hewing to a theme of 'Magic, Wonder and Joy.' The grand foyer celebrated the holiday classic 'The Night Before Christmas.'

## Instagram Serves Up Toxic Video Mix

WSJ test accounts set to follow young gymnasts got risqué footage of children

By JEFF HORWITZ AND KATHERINE BLUNT

Instagram's Reels video service is designed to show users streams of short videos on topics the system decides will interest them, such as sports, fashion or humor. The Meta Platforms-owned social app does the same thing for users its algorithm decides might have a prurient interest

in children, testing by The Wall Street Journal showed. The Journal sought to determine what Instagram's Reels algorithm would recommend to test accounts set up to follow only young gymnasts, cheerleaders and other teen and preteen influencers active on the platform. Instagram's system served jarring doses of salacious content to those test accounts, including risqué footage of children as well as overtly sexual adult videos—and ads for some of the biggest U.S. brands. The Journal set up the test accounts after observing that the thousands of followers of

such young people's accounts often include large numbers of adult men, and that many of the accounts who followed those children also had demonstrated interest in sex content related to both children and adults. The Journal also tested what the algorithm would recommend after its accounts followed some of those users as well, which produced more-disturbing content interspersed with ads. In a stream of videos recommended by Instagram, an ad for the dating app Bumble appeared between a video of someone stroking the face of a life-size latex doll and a video

of a young girl with a digitally obscured face lifting up her shirt to expose her midriff. In another, a Pizza Hut commercial followed a video of a man lying on a bed with his arm around what the caption said was a 10-year-old girl. The Canadian Centre for Child Protection, a child-protection group, separately ran similar tests on its own, with similar results. Meta said the Journal's tests produced a manufactured experience that doesn't represent what billions of users see. The company declined to comment on why the algorithms com-

*Please turn to page A10*

## Amazon Deliveries Top UPS And FedEx

By DANA MATTIOLI AND ESTHER FUNG

Amazon.com has grabbed the crown of biggest delivery business in the U.S., surpassing UPS and FedEx in parcel volumes. The Seattle e-commerce giant delivered more packages to U.S. homes in 2022 than UPS, after eclipsing FedEx in 2020, and it is on track to widen the gap this year, according to internal Amazon data and people familiar with the matter.

The U.S. Postal Service is still the biggest parcel service by volume; it handles hundreds of millions of packages for all three companies. A decade ago, Amazon was a major customer for UPS and FedEx, and some executives from the incumbents and analysts mocked the notion that it could someday supplant them. Amazon's outsize growth combined with strategy shifts at FedEx and UPS have changed the balance.

Before Thanksgiving this year, Amazon had delivered more than 4.8 billion packages in the U.S., and its internal projections predict it will deliver around 5.9 billion by the end of the year, according to documents viewed by The Wall Street Journal. Last year, Amazon shipped 5.2 billion packages. Amazon's figures include only packages that Amazon shipped from beginning to end. UPS and FedEx include packages they hand off to the postal service for final delivery in their tallies.

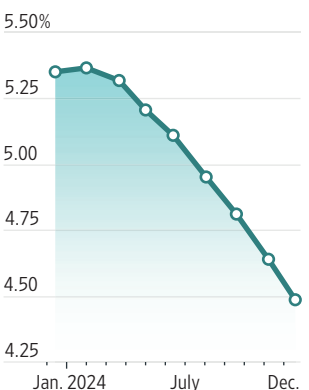
*Please turn to page A4*

◆ **Retailers clean up inventories.**..... B3

## Investors Bet On Rate Drop

Interest-rate derivatives show a growing expectation the Fed will cut rates by May. **B1**

### Rate expectations



Note: Shows expected path of federal-funds rate as of Nov. 22, based on interest-rate swaps. Source: Tradeweb

## Fast-Fashion Disrupter Shein Confidentially Files for IPO

By CORRIE DRIEBUSCH AND SHEN LU

Shein, the online fashion company that won over hundreds of millions of shoppers around the world, has confidentially filed to go public in the U.S. in what could be one of the biggest IPOs in years. Goldman Sachs, JPMorgan Chase and Morgan Stanley have been hired as lead underwriters on the offering, which could happen in 2024, people familiar with the matter said. Shein, founded in China but now based in Singapore, was valued at around \$66 billion in a fundraising round in May. It is likely to aim for an even

higher valuation in an initial public offering. Shein has disrupted the clothing industry with its on-trend \$5 skirts and \$9 jeans in the past few years. The 11-year-old company is now one of the largest fashion brands in the world. It has been a rough two years for the U.S. IPO market, with few companies listing shares in the U.S., deterred by high interest rates and less-risky alternative investments. Of companies that went public in traditional IPOs since the beginning of 2020, more than 80% are currently trading below their initial offering price. This year's biggest IPO was

that of British chip designer Arm Holdings, which was valued at around \$55 billion when it made its debut in September. Before that, the most recent blockbuster IPO was Rivian Automotive's 2021 offering, which valued it at about \$77 billion at its IPO price. IPO bankers and other advisers said they expect more companies to debut next year, though they warn the pickup might be slow. Shein recorded \$23 billion in revenue and \$800 million in net profit in 2022 and told investors it delivered record revenue and income for the first three quarters of 2023.

*Please turn to page A2*

## \$11.23 to Live Like Martha Stewart (for a Night)

Stars are renting out their homes for dirt cheap. But you might have to sign an NDA.

By ASHLEY WONG

Martha Stewart's 150-plus-acre property in Bedford, N.Y., includes a farm with horse stables and a chicken coop, a fruit orchard, a peacock pen and seven stately houses. One of the abodes opened for a night's stay this month. The domestic goddess is among the A-listers, including Gwyneth Paltrow and Mariah Carey, putting their estates or penthouses up for short-term stays on rental sites such as Airbnb and Booking.com for nominal fees or no cost at all. "It is a very pleasant weekend in the country," Stewart said in an interview.



*Checking in?*

Why would a celebrity invite strangers to traipse through their home? Rental companies can use the attention to reach new audiences and distract from public criticism over hassles such as rising fees. Luminaries can promote their own brands, and guests get to briefly live like a star, in a highly orchestrated way. Stewart said she had never used Booking.com or Airbnb for her own travel, and was intrigued by what the experience would be like as the homeowner. She recently announced that one of her farmhouse's residences—her "tenant house"—in Bedford was available for rent.

*Please turn to page A10*

## Grumpy on the Job? You Have Company

By VANESSA FUHRMANS AND LINDSAY ELLIS

Americans, by many measures, are unhappier at work than they have been in years. Despite wage increases, more paid time off and greater control over where they work, the number of U.S. workers who said they are angry, stressed and disengaged is climbing, according to Gallup's 2023 workplace report. Meanwhile, a BambooHR analysis of data from more than 57,000 workers shows job-satisfaction scores have fallen to their lowest point since early 2020, after a 10% drop this year alone. In interviews with workers around the country, it is clear the unhappiness is part of a rethinking of work life that began in 2020. The sources of workers' discontent range

from inflation, which is erasing much of recent pay gains, to the still-unsettled nature of the workday. People chafe against being micromanaged back to offices, yet they also find isolating aspects of hybrid and remote work. A cooling job market—especially in white-collar roles—is leaving many professionals feeling stuck. Companies have largely moved on from pandemic operating mode, cutting costs and renewing a focus on productivity. The disconnect with workers has managers frustrated, and no quick fix seems to be at hand. Those in charge said they have given staff more money, flexibility and support, only to come up short. The experiences of workers like Lindsey Leesmann suggest how expectations have shifted

*Please turn to page A12*