

THE WALL STREET JOURNAL.

DOW JONES | News Corp *****

MONDAY, DECEMBER 18, 2023 ~ VOL. CCLXXXII NO. 143

WSJ.com

★★★★ \$5.00

Last week: DJIA 37305.16 ▲ 1057.29 2.9% NASDAQ 14813.92 ▲ 2.8% STOXX 600 476.61 ▲ 0.9% 10-YR. TREASURY yield 3.927% OIL \$71.43 ▲ \$0.20 EURO \$1.0895 YEN 142.16

What's News

Business & Finance

◆ **Big tech names** Apple, Microsoft, Alphabet, Amazon, Nvidia, Tesla and Meta, the so-called Magnificent Seven, have collectively jumped 75% in 2023, leaving the other 493 companies in the S&P 500 in their dust. **A1**

◆ **The lowest mortgage** rates since the summer are starting to lure frustrated home shoppers back to the market, but few owners who have locked in much lower rates appear ready to sell. **A1**

◆ **Robinhood Markets**, known for a clientele of first-time investors, is attracting customers with fatter wallets from other brokerages, company filings indicate. **B1**

◆ **Gene-sequencing** company Illumina said it would divest itself of cancer blood test maker Grail, following Illumina's loss in its legal battle against U.S. anti-trust regulators. **B3**

◆ **Dozens of New York** Times employees formed a group to take a stand on journalistic independence as concerns grow that the labor union that represents the Times and other outlets has veered toward advocacy. **B3**

◆ **Consumers are shifting** more of their spending to so-called buy now, pay later lenders, sounding alarms at consumer-advocacy groups that say these companies provide fewer protections than credit cards. **B1**

◆ **Chinese travelers are** venturing abroad again in the wake of the Covid-19 pandemic, but are spending differently, denting sales at retailers that operate in nodes like airport gates, border shops and duty-free zones. **B1**

World-Wide

◆ **Israeli troops recently** discovered a large tunnel near a crossing between Israel and northern Gaza that a military spokesman described as strategic, meant "for moving massive assets" in connection with Hamas's subterranean warfare. **A1, A7**

◆ **U.N. officials called** for an investigation into an Israeli military raid on a Gaza hospital during which patients died and the armed forces said they detained scores of Hamas militants and recovered a trove of weapons. **A6**

◆ **Senate negotiators** failed to reach a deal on a framework for border-security measures that Republicans have demanded as a condition of passing Democrats' \$110.5 billion aid package containing new funding for Ukraine. **A4**

◆ **The chairman of the** Florida Republican Party will lose his salary and duties after the party's executive committee voted to censure him following a rape allegation. **A4**

◆ **Chileans rebuffed** another proposal for a new constitution that would have reinforced safeguards for private property, opting instead to keep the current charter. **A9**

◆ **A Vatican court found** Italian Cardinal Giovanni Angelo Becciu guilty of embezzlement and fraud and sentenced him to 5½ years in prison in a case centered on a failed London property investment. **A8**

◆ **North Korea fired** a second ballistic missile into the sea off its east coast, South Korea said, hours after Seoul reported that Pyongyang had conducted a short-range ballistic missile test into the sea. **A10**

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World News.....	A6-10



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Santas Slay in Their Annual Race in Venice



ROUTE CANAL: People in Santa costumes filled the Grand Canal in Venice on Sunday in the annual Santa Claus regatta.

Israeli Military Reveals Tunnel It Says Hamas Built for Attack

By DOV LIEBER

GAZA—A quarter of a mile from a civilian border crossing between Israel and northern Gaza lies what Israel's military says is the largest tunnel discovered in the enclave. It is large enough that large vehicles can drive through it, and yet, until recently, Israel didn't know the tunnel reached right up to its border. Israeli troops uncovered the tunnel exit buried under a sand dune a few weeks ago. Israeli officials believe that the tunnel, up to 50 yards deep at points, and 2½ miles long, took years and millions of dollars to build and was meant to facilitate a large-scale attack on Israel.

"This is for moving massive

assets," Israeli military spokesman Lt. Col. Richard Hecht told reporters on Sunday. "It's strategic."

The discovery of the large tunnel near the Israeli border provides further insight into how much Hamas has invested into its tunnel program and how little Israel knew about it before the group's Oct. 7 attack. Some analysts say this large tunnel demonstrates how Hamas has improved its subterranean warfare over the years and raises questions about how many other tunnels of that size are located near Israel without the military being aware of them.

Israeli military spokesman Daniel Hagari called the large tunnel "Sinwar's secret," a reference to Hamas leader

Yahya Sinwar, and his brother Mohammad Sinwar, who Israeli officials say headed the tunnel-building project.

Hamas representatives didn't respond to questions about the group's tunnel network.

"Hamas has the most extensive and most sophisticated tunnel network ever encountered in warfare," said Daphné Richemond-Barak, professor at Israel's Reichman University and author of a book on underground combat.

The Israeli military took a group of reporters, including from The Wall Street Journal, into the tunnel on Friday. Journalists were able to enter only the first roughly 50 yards of the tunnel, a limitation the Israeli military said was for their safety.

In one video the Israeli military showed journalists, Mohammad Sinwar can be seen driving a car through what they say is the tunnel. The video also shows Hamas using a large tunnel-drilling machine that has allowed it to expand the size and quality of the passages.

Israeli military officials say their war to destroy Hamas's military capabilities won't be finished until the group's tunnel network has been eliminated. That process, which officials say will take time, could put Israel at odds with international demands to wrap up

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◆ **U.N. urges probe into Gaza** hospital deaths..... **A6**
◆ **Hostage killings fan** debate on strategy..... **A6**

Big Seven In Tech Sector Dominate Market

Stocks have jumped 75% in 2023 and make up about 30% of S&P 500's value

By HARDIKA SINGH

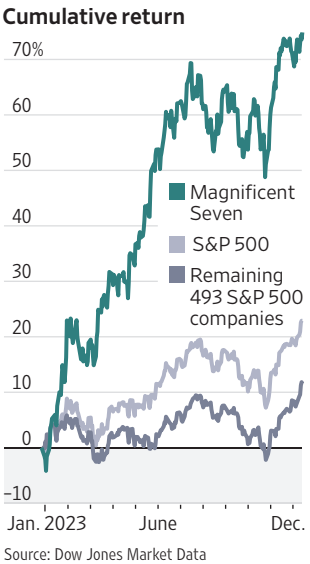
Big tech stocks reclaimed their position as the market's leaders this year. Just how far ahead of the pack have they run?

Collectively, the stocks known as the Magnificent Seven—Apple, Microsoft, Alphabet, Amazon.com, Nvidia, Tesla and Meta Platforms—have jumped 75% in 2023, leaving the other 493 companies in the S&P 500 in their dust. (Those have risen a more modest 12%, while the index as a whole is up 23%.)

The Magnificent Seven stocks have swelled to represent about 30% of the S&P 500's market value, according to Goldman Sachs Global Investment Research. That is approaching the highest-ever share for any seven stocks.

"It's a mind-blowing number to me when I think about an index that's supposed to

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An American Jewish Family Wrestles With War in Gaza

By ARIAN CAMPO-FLORES

Emanuelle Sippy, a 20-year-old junior at Princeton University who heads the campus's Alliance of Jewish Progressives, came to believe in recent years that Israel is an apartheid state guilty of committing human-rights abuses. The war in Gaza has reinforced her views, and she has responded by participating in vigils, walkouts and other actions demanding a cease-fire.

Sippy's father, David Wirschafter—a Reform rabbi in Lexington, Ky., who attended rabbinical school in Jerusalem—aches when he hears some of her harshest criticisms of Israel. And Sippy's grandmother, Carol Wirschafter, who lived with her husband and children in Jerusalem during the 1973 Yom Kippur War, laments that Sippy has lost hope for the country.

"I think she's given up on

Israel," she said. "That makes me sad."

Hamas's Oct. 7 attack in Israel, and the nation's military response, has plunged three generations of this family into mourning over the lives lost on both sides—and pushed them to wrestle with thorny issues related to the Jewish state. They have debated vigorously over the Israeli-Palestinian conflict, how to channel Jewish grief and ways to re-

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National Park Soap Opera Faces Cancellation of Its Equine Stars

Government might remove wild horses, riling fans who follow drama of the herd

By JOE BARRETT

MEDORA, N.D.—Chris Kman used a long-lens camera to scour sprawling grasslands dotted among snow-dusted buttes in Theodore Roosevelt National Park for signs of what she calls her family. She was most excited to spot Flax, who's been hard to find lately.

"He's the Fabio of this park," said her husband, Gary, 61, noting the sorrel horse's noble bearing and flowing mane.

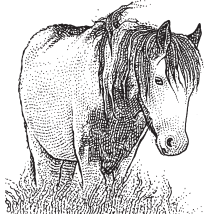
And he's been going through some drama lately, says Chris Kman, 55, who

tracks the trials and trysts of the nearly 200 horses in the park for the 100,000 social-media followers of the couple's horse-themed gift shop and a nonprofit called Chasing

Horses Wild Horse Advocates. In the last two years, Flax has sired three offspring, kicked two sons out of his band, picked up two mares and lost a mare—along with their two daughters and his traditional grazing grounds—to a bachelor stallion named Cagney.

"For a lot of people it's like a soap opera," said Kman. "You never know what's going to happen."

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Wild drama

INSIDE



YEAR IN REVIEW
From Israel to the Fed, a look at some of the biggest stories of 2023. **R1-28**

BUSINESS & FINANCE
Robinhood woos richer clients, luring \$1.1 billion in transfers from bigger brokers. **B1**

Home Buyers Tiptoe Into a Tough Market

By NICOLE FRIEDMAN

The lowest mortgage rates since the summer are starting to lure frustrated home shoppers back to the market. The problem is that few homeowners who have locked in much lower rates appear ready to sell.

Home sales this year are on track to be the lowest since at least 2011. But as mortgage rates retreated from nearly 8% in October to below 7% last week, buyers are responding. Mortgage applications have increased for six straight weeks on a seasonally adjusted basis, though they are still down from year-ago levels, according to the Mortgage Bankers Association.

Real-estate agents say they expect more buying activity in the new year, after home shoppers return from a break over the holidays.

"There's just a lot of pent-up demand," said Lisa Sturtevant, chief economist at Bright MLS, a real-estate listings database that covers parts of six eastern states and Washington, D.C. "There's a lot of people out there who are still waiting to get into the market, and they're making it work however they can."

Home-buying affordability, which hit the worst level in decades this fall, is improving. The typical housing payment for a buyer purchasing a median-priced home with a 20% down payment was \$2,503 in the four weeks ended Dec. 10, the lowest level since April, according to real-estate brokerage Redfin.

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◆ **Outlook: Rents are driving the inflation fight**..... **A2**
◆ **Fed rate cuts would give home buyers a boost**.... **A12**