

THE WALL STREET JOURNAL.

What's News

Business & Finance

- ◆ **Nvidia's sales and earnings** more than doubled in its most recent quarter, showcasing the momentum of the nearly two-year-old artificial intelligence boom despite concerns that investment has surged too quickly. **A1**
- ◆ **OpenAI is in talks** to raise several billion dollars in a new funding round that would value the startup behind ChatGPT above \$100 billion. **A1**
- ◆ **Major U.S. stock indexes** declined, with the S&P 500, Nasdaq and Dow industrials retreating 0.6%, 1.1% and 0.4%, respectively. **B9**
- ◆ **China took aim at** PricewaterhouseCoopers in connection with its audits of more than a dozen large property developers, including many that crashed. **A1**
- ◆ **CrowdStrike cut its** outlook for the year and issued downbeat guidance for its current quarter, reflecting the impact of one of the worst computer outages ever. **B1**
- ◆ **Two Sigma's founders** stepped down as co-chief executives in a bid to resolve a yearslong clash between them that had riven the firm. **B1**
- ◆ **Lego posted record sales** and operating profit in the first half, which the Danish toy maker attributed to consumer appetite for a growing line of products. **B2**
- ◆ **Meituan delivered** another solid quarter, with profit more than doubling despite stiff competition in the Chinese delivery market. **B3**
- ◆ **BYD's first-half** net profit rose due to higher electric-vehicle sales and a stronger handset-components and assembly business. **B4**

World-Wide

- ◆ **The 20-year-old gunman** who shot Trump at a rally searched online for the campaign schedules of both Biden and the former president as he built plans for an attack, FBI officials said. **A3**
- ◆ **French judicial authorities** brought preliminary charges against Telegram founder Pavel Durov for crimes including complicity in distributing child pornography, illegal drugs and hacking software on the messaging app. **A6**
- ◆ **The Supreme Court** denied a Biden administration request to restart its latest plan for wiping away student loan debt for millions of borrowers, choosing not to intervene in a legal battle that is still playing out in lower courts. **A3**
- ◆ **The Boy Scouts'** 321-piece art collection is heading to the auction block to raise funds for the compensation of sex-abuse survivors as part of a bankruptcy settlement. **A3**
- ◆ **An appeals court** revived Sarah Palin's defamation suit against the New York Times, ruling that a trial judge committed errors in presiding over the former Republican vice-presidential candidate's case. **A4**
- ◆ **Two businessmen** at the center of one of the largest global frauds in decades were convicted in Swiss criminal court for their roles facilitating the looting of a Malaysian sovereign-wealth fund. **A7**
- ◆ **A 35-year-old** federal program aimed at helping low-income students earn advanced degrees was accused of racial discrimination, the latest challenge against diversity initiatives. **A3**

CONTENTS	Markets & Finance B9
Arts in Review..... A11	Opinion..... A13-15
Business & Finance B2	Personal Journal A9-10
Business News..... B3	Sports..... A12
Crossword..... A12	Technology..... B4
Equities..... B6	U.S. News..... A2-5
Heard on Street..... B10	World News..... A6-7



Paris Greet Paralympians With a Show



STAR POWER: The Paralympics welcomed thousands of athletes to Paris on Wednesday in the games' opening ceremony. More than 4,000 athletes with physical, visual and intellectual impairments will compete in 22 sports.

OpenAI in Talks for Funding, Valuing It Above \$100 Billion

By Tom Dotan and Berber Jin

OpenAI is in talks to raise several billion dollars in a new funding round that would value the startup behind ChatGPT above \$100 billion.

Venture-capital firm Thrive Capital is leading the round and will invest about \$1 billion, according to people familiar with the matter. Microsoft is

also expected to put in money. The new funding round would be the biggest infusion of outside capital into OpenAI since Microsoft invested around \$10 billion in January 2023. Since then, an arms race has developed in Silicon Valley to build the most advanced artificial-intelligence systems in an effort to dominate an industry many have said will

revolutionize the economy. OpenAI was last valued at \$86 billion late last year, when employees sold existing shares. Thrive, a New York-based firm founded 15 years ago by Josh Kushner, already has a close relationship with OpenAI and its chief executive, Sam Altman. It has put several hundred million dollars into the startup since last year.

It couldn't be determined what other investors are participating in the new funding round. Competition in AI is fierce. Google offers its own AI product and has, together with Amazon, put \$6 billion into Anthropic, a competitor started by former OpenAI executives. Meta Platforms has

Please turn to page A2

China Puts PwC In Crosshairs Over Property Meltdown

By Rebecca Feng

China's housing bust has crushed big developers, bond-market investors and homeowners, causing billions of dollars in losses. Now Chinese regulators are zeroing in on another important player: PricewaterhouseCoopers, the auditor of choice for many of China's biggest property firms.

PwC's Hong Kong and mainland China operations audited more than a dozen large Chinese developers, including many that crashed and burned—notably **China Evergrande Group**, the poster child for China's property woes. Earlier this year, Chinese authorities found that Evergrande fraudulently inflated revenues by nearly \$80

billion in 2019 and 2020—when it was a PwC client—and fined the developer more than a half billion dollars.

Chinese and Hong Kong regulators are now examining whether PwC's local operations, PricewaterhouseCoopers Zhong Tian in the mainland and PricewaterhouseCoopers Hong Kong, should have flagged Evergrande's problems. PwC is bracing for major penalties, including a possible record fine for its mainland China office and temporary suspension of its business there, people familiar with the matter said.

The suspension could be for six months and start as early as September, according to one person familiar with the

Please turn to page A5

INSIDE



WORLD NEWS
Israeli military launches operations targeting militants in the West Bank. **A6**

THE FUTURE OF EVERYTHING
THE ARTIFICIAL INTELLIGENCE ISSUE
R1-8

The Fake Spy Who Dazzled D.C.

Gaurav Srivastava raked in millions, then donated liberally to Democrats

By Joe Wallace

Gaurav Srivastava dreamed of being a player in the murky world of clandestine operations.

His goal was to build a private military and intelligence operation, funded by natural resources, he told business partners. It would be akin to the notorious Wagner Group, only with the blessing of the U.S. instead of Russia. Leaving associates with the impression he had high-level contacts in the intelligence community, he said he wanted to do business in difficult places and muscle bad guys out of strategic markets.

He joined forces with an oil trader, a former senior CIA agent and veterans of the U.S. and Australian special forces. Gen. Wesley Clark, a former NATO commander, served as a paid adviser. Srivastava donated more than \$1 million to Democratic causes, scored a photo op with President Biden and met lawmakers from both parties. A star-studded event he hosted with the prestigious Atlantic Council think tank featured

Please turn to page A8

◆ **Mysterious 'Mr. G' won** plaudits at Bali confab.... **A8**

How Do You Get That Stain Out?

Depends on where you live; washers get a local spin

By Victor Swezey and David Marcelis

A group of GE Appliances staffers gathered around a mock-up of a washing machine dashboard in Louisville, Ky., about a year ago to resolve a pressing question: What is the best Spanish word for the act of washing clothes with oxygen bleach?

Monica Martinez, a design engineer who grew up in Puerto Rico, suggested "desinfectado," or disinfected—the term she's always used. So she was taken aback when one of her Mexican-born colleagues suggested "sanitizado," or sanitized.

"I'm not really vibing with

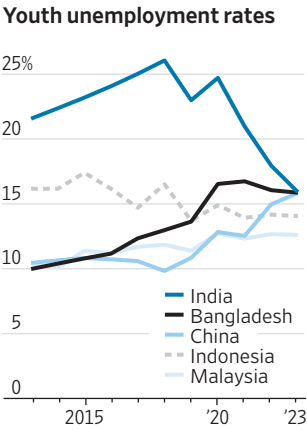
Please turn to page A10

Youth Unemployment Threatens Asia Growth

By Jon Emont

Asia's fastest-growing economies are hiding a dirty secret: Their youngest workers are battling stubbornly high rates of unemployment.

Bangladesh—long considered a development model for



Note: Data are estimates. Figures shown are for ages 15-24. Source: International Labor Organization

slashing extreme poverty—clocked an average of 6.5% economic growth a year for the past decade. But over the past few years, youth unemployment climbed to 16%—the highest level in at least three decades, according to data from the United Nations International Labor Organization.

China and India recorded the same percentage of young people who are seeking work without success. In Indonesia, the rate is 14%. Malaysia's is 12.5%.

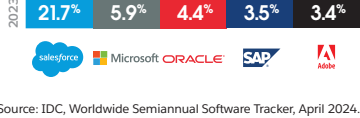
Across these populous nations, that adds up to 30 million people between the ages of 15 and 24 who are looking for jobs but can't find suitable ones. They account for just less than half the global total of 65 million jobless youth in that age range, according to ILO data.

The figures are worse than in rich countries such as the U.S., Japan and Germany, where young people tend to get snapped up, though not as

Please turn to page A6

Salesforce. #1 CRM.

Ranked #1 for CRM Applications based on IDC 2023 Revenue Market Share Worldwide.



Source: IDC, Worldwide Semiannual Software Tracker, April 2024.

salesforce
salesforce.com/number1CRM