

THE WALL STREET JOURNAL.

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What's News

Business & Finance

◆ **The unwinding of** some of Wall Street's most popular trades intensified, handing Japanese stocks their worst day since the 1987 market crash and walloping U.S. tech shares. The S&P 500, Nasdaq and Dow shed 3%, 3.4% and 2.6%, respectively. **A1, B1, B11**

◆ **A judge ruled that** Google engaged in illegal practices to preserve its search engine monopoly, delivering a major antitrust victory to the Justice Department. **A1**

◆ **Fannie and Freddie are** preparing to impose stricter rules for commercial-property lenders and brokers following a regulatory crackdown on fraud in the market. **B1**

◆ **The investment firm** that paid \$375 million to Trump's family firm for the rights to its luxury Washington, D.C., hotel lost the property in a foreclosure auction. **B2**

◆ **Tyson reported** adjusted profit for its third quarter that beat analyst estimates as the company benefited from a turn up in its chicken business. **B3**

◆ **L'Oréal agreed to buy** a minority stake in Swiss skincare company Galderma valued at \$1.85 billion. **B3**

◆ **Infineon said it** would cut about 1,400 jobs and again lowered its sales forecasts amid a persistent inventory glut in the semiconductor industry. **B4**

◆ **Thrive Capital raised** \$5 billion for its largest-ever pair of venture-capital funds, a sign of how the AI boom is encouraging some startup investors to go big again. **B10**

◆ **Woodside Energy agreed** to a roughly \$2.35 billion deal to buy an ammonia plant being built for OCI in Texas. **B10**

World-Wide

◆ **Studies being used** to decide whether the U.S. should authorize an ecstasy-based drug for traumatized patients missed serious side effects and were marked by bias. **A1**

◆ **Recent economic** turbulence threatens to reinforce voters' view that the U.S. economy is shaky, giving Trump's campaign a chance to shift onto stronger ground in his race against Harris. **A6**

◆ **The U.S. and Mexico,** both motivated by presidential elections this year, cooperated to cut the number of illegal crossings at the border, resulting in a stark decline in the past six months. **A4**

◆ **Debby was downgraded** to a tropical storm after hitting Florida with heavy rain and leaving four people dead. **A3**

◆ **Pope Francis accepted** the resignation of Cardinal Seán O'Malley as archbishop of Boston and named the bishop of Providence, R.I., Richard Henning, to succeed him. **A2**

◆ **The Middle East braced** for another round of violence after Secretary of State Blinken said on a call with G-7 foreign ministers that Iran could attack Israel within 24 to 48 hours. **A8**

◆ **Nine employees of** the U.N. agency that for decades has assisted Palestinians in Gaza were fired after an investigation found they might have participated in the Oct. 7 Hamas attack on Israel. **A8**

◆ **Robert F. Kennedy Jr.,** an independent candidate for the presidency, said he left a dead bear cub in New York's Central Park a decade ago. **A3**

◆ **Died: Tsung-Dao Lee,** 97, Nobel laureate in physics. **A2**

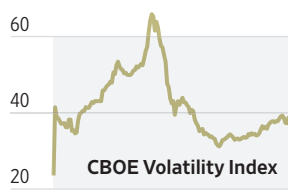
| | |
|--------------------------|-------------------------|
| CONTENTS | Markets..... B11 |
| Arts in Review..... A12 | Opinion..... A15-17 |
| Banking & Finance B10 | Personal Journal A10-11 |
| Business & Finance B2-3 | Sports..... A13-14 |
| Crossword..... A12 | Technology..... B4 |
| Equities..... B6 | U.S. News..... A2-4,6 |
| Heard on Street..... B12 | World News..... A8-9 |



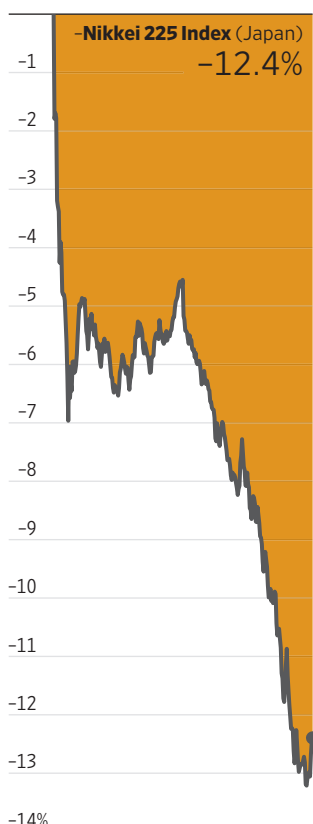
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Global Stocks Dive as Trades Unravel

Japan's stock market had its largest one-day percentage decline on Monday since Oct. 20, 1987. Other countries' indexes followed with big tumbles as well, and the VIX volatility index skyrocketed.

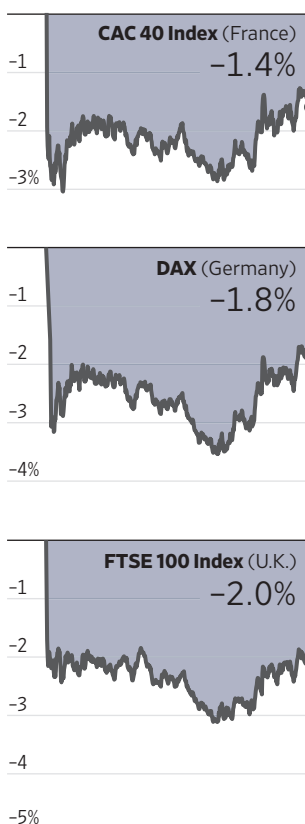


ASIA



Source: FactSet

EUROPE



U.S.



Blue chips fall more than 1,000 points; Japan shares log worst day since 1987

By RYAN DEZEMBER

The unwinding of some of Wall Street's most popular trades intensified Monday, sending Japanese stocks to their worst day since the 1987 market crash and walloping U.S. technology shares.

U.S. stock indexes opened sharply lower, tracing declines in international markets, be-

fore recovering somewhat after a survey of purchasing managers showed the services sector expanded last month at a slightly higher rate than expected.

The tech-heavy Nasdaq led the way lower, falling 3.4%. Every industry segment in the S&P 500 declined, pushing the broad index down by 3%. All 30 stocks in the Dow Jones Industrial Average ended lower and the blue-chip index shed 1034 points.

The Russell 2000 index of small stocks, resurgent in recent weeks, lost 3.3%. Oil, pre-

Please turn to page A2

Market Selloff Set To Test Fed Strategy

By NICK TIMIRAO

Monday's market rout increases both the risks of recession and a more harrowing financial-market accident.

But for Federal Reserve officials who laid the groundwork last week to cut rates by a quarter-percentage point at their meeting next month, the outlook would likely need to deteriorate further in the coming weeks to compel a bigger response.

Fed officials don't convene again for a policy meeting until Sept. 17-18. There, they could debate whether to kick off their widely anticipated sequence of rate cuts with a larger reduction of a half percentage point.

Please turn to page A2

- ◆ **James Mackintosh: What's driving the fall.....** B1
- ◆ **Outages plague trading platforms.....** B11
- ◆ **Heard on the Street: Great reason to sit tight.....** B12

'Google Is a Monopolist,' Judge Rules

By JAN WOLFE AND MILES KRUPPA

A federal judge ruled that Google engaged in illegal practices to preserve its search-engine monopoly, delivering a major antitrust victory to the Justice Department in its effort to rein in Silicon Valley technology giants.

Google, which performs

about 90% of the world's internet searches, exploited its market dominance to stomp out rivals, U.S. District Judge Amit P. Mehta in Washington, D.C., said in the long-awaited ruling.

"Google is a monopolist, and it has acted as one to maintain its monopoly," Mehta wrote in his 276-page decision released on Monday, in which he faulted the company for destroying in-

ternal messages that could have been useful in the case.

Mehta agreed with the central argument made by the Justice Department and 38 states and territories that Google suppressed competition by paying billions of dollars to operators of web browsers and phone manufacturers to be their default search engine. That allowed

the company to maintain a dominant position in the sponsored text advertising that accompanies search results, Mehta wrote.

Kent Walker, president of global affairs at Google parent Alphabet, said the company planned to appeal the ruling.

"This decision recognizes that Google offers the best search engine, but concludes

that we shouldn't be allowed to make it easily available," he said in a statement that quoted complimentary passages from Mehta's decision. "As this process continues, we will remain focused on making products that people find helpful and easy to use."

Justice Department antitrust chief Jonathan Kanter said the

Please turn to page A4

Ecstasy Drug Trials Missed Suicidal Thoughts

By LIZ ESSLEY WHYTE

Studies being used to decide whether the U.S. should authorize an ecstasy-based drug for traumatized patients missed serious side effects and were marked by bias.

The Food and Drug Administration is expected within days to decide whether to approve the drug, known as MDMA, for treatment of post-traumatic stress disorder. Approval would be a milestone in decades of efforts to decriminalize the use of psychedelics.

Three people who were subjects in the studies told The Wall Street Journal that their thoughts of suicide worsened during or after testing, but their downward slides weren't captured in trial data and therefore not reflected in the final results.

The study subjects said they felt pressure to report positive outcomes, because that would lead to a history-making drug approval. They also said they could tell they had taken ecstasy during the studies, though gold-standard drug trials are supposed to mask whether a subject got the drug candidate or a placebo.

"I wanted the miracle cure," said Sarah McNamee, one of the subjects. She said the therapists conducting the trial did, too. "My therapists made it really clear that they really really believed in this thing."

Lykos Therapeutics, the company sponsoring the studies, recruited researchers conducting the testing from the ranks of therapists who had given ecstasy illicitly and advocated for the drug's use, ac-

Please turn to page A6

Bangladesh Leader Resigns



PRESSED OUT: Protesters stormed Prime Minister Sheikh Hasina's residence in Dhaka on Monday, as she resigned and fled the country in the wake of weeks of protests. **A8**

Chipotle Fans Take Burrito 'Skimp' Into Their Own Hands

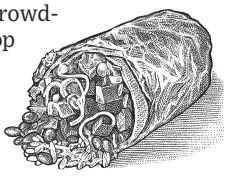
Restaurant chain struggles to shed scrutiny on portion sizes as diners test them

By HEATHER HADDON

Fans of Chipotle Mexican Grill are seeking an off-menu item to pair with their burrito bowls—a scale.

Chipotle is struggling to shed scrutiny on its portion sizes, and whether stores are failing to dish out a full four ounces of meat. A crowd-sourced website "Stop the Skimp!" is tracking locations that serve beefier portions. Some customers are filming workers as they craft meals to try to

guarantee more rice and guac. The most extreme are weighing Chipotle orders to determine whether they are getting shorted at certain locations or by ordering online instead of at the counter.



Weighing in

For the pinto-bean police, the saucy stunts help channel their broader rage at food prices and shrinkflation.

Zackary Smigel, a 28-year-old YouTube creator from Hermitage, Pa., started filming his Chipotle orders this year, weighing 15 burritos and 15 bowls over 30 days at three different locations in Pennsylvania and Ohio. What he found became fodder for a documentary posted on YouTube—burritos ordered online were skimpier 70% of the time, he says. "Bowls weren't as bad," said Smigel, who has shied from Chipotle since his chow checks. "But burritos themselves, it was horrible."

Please turn to page A11

Nurse Visits Made Insurers \$15 Billion

Tacking on diagnoses for Medicare patients triggered extra payments

Millions of times each year, insurers send nurses into the homes of Medicare recipients

By Anna Wilde Mathews, Christopher Weaver, Tom McGinty and Mark Maremont

to look them over, run tests and ask dozens of questions.

The nurses aren't there to treat anyone. They are gathering new diagnoses that entitle private Medicare Advan-

tage insurers to collect extra money from the federal government.

A Wall Street Journal investigation of insurer home visits found the companies pushed nurses to run screening tests and add unusual diagnoses, turning the roughly hourlong stops in patients' homes into an extra \$1,818 per visit, on average, from 2019 to 2021. Those payments added up to about \$15 billion during that period, according

Please turn to page A9

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