

THE WALL STREET JOURNAL.

DOW JONES | News Corp ***** MONDAY, OCTOBER 7, 2024 ~ VOL. CCLXXXIV NO. 83 WSJ.com ★★★★★ \$5.00

Last week: DJIA 42352.75 ▲ 39.75 0.09% NASDAQ 18137.85 ▲ 0.1% STOXX600 518.56 ▼ 1.8% 10-YR. TREASURY ▼ 1 28/32, yield 3.980% OIL \$74.38 ▲ \$6.20 EURO \$1.0977 YEN 148.72

What's News

Business & Finance

- ◆ **Rivals are beginning** to eat into Google's lead in the nearly \$300 billion search advertising business, with new offerings fueled by the rise of artificial intelligence and social video threatening to reconfigure the market. **A1**
- ◆ **Insiders reluctant** to snap up their companies' shares are sitting out the 2024 stock-market rally, potentially providing a signal about the future returns of the market as a whole. **A1**
- ◆ **Activist investor** Starboard bought a stake of about \$1 billion in Pfizer and wants the drug giant to make changes. **B1**
- ◆ **The musical sequel** to the 2019 hit "Joker" from Warner Bros.'s movie studio delivered a disappointing \$40 million at the domestic box office in its opening weekend. **B2**
- ◆ **Western consulting** and audit firms that have long done extensive work in China are increasingly caught in rising geopolitical tensions between Beijing and Washington. **B1**
- ◆ **Northvolt, Europe's great** hope for battery independence, is fighting for survival after the company said it would cut 1,600 jobs and curtail expansion plans. **B4**
- ◆ **Online marketplace Temu** is coming after the merchants that sell on Amazon, changing the way that both companies do business. **B3**
- ◆ **A family feud among** the Boar's Head heirs long predated the crisis at the deli-meat seller precipitated by a deadly listeria outbreak. **B1**

World-Wide

- ◆ **Trump's recent tax-cut** promises pushed his fiscal plan deep into the red, and he would increase budget deficits by more than twice as much as Harris would, according to a new study that is the most comprehensive accounting to date of the presidential candidates' proposals. **A4**
- ◆ **Oil companies keen** to retain provisions of the Inflation Reduction Act that earmark billions of dollars for low-carbon energy projects have pre-emptively urged Trump and the Republican Party to spare Biden's signature climate law. **A5**
- ◆ **Israel's military said** it reopened an offensive in northern Gaza to combat militants who have resurfaced in the area, issuing sweeping evacuation orders after residents reported heavy shelling overnight. **A6**
- ◆ **Rapidly-intensifying** Hurricane Milton was on track to hit Florida midweek, bringing more storm surge and flood warnings to recovering Helene-battered residents. **A3**
- ◆ **A Royal New Zealand** Navy support ship ran aground and sank off the Pacific island nation of Samoa, New Zealand defense officials said. **A18**
- ◆ **British Prime Minister** Keir Starmer's chief of staff quit, citing concerns that news reports about her role risked becoming a distraction to the government. **A18**
- ◆ **Countries in southern** Africa are slaughtering elephants and other wild animals to feed their starving citizens amid the worst drought in more than a century. **A18**

JOURNAL REPORT

Investing Monthly: What bonds to buy now. **B7-8**

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A memorial to people killed last year at a music festival in Israel near the Gaza Strip. A year after that Hamas attack, Israel is now firmly on the counterattack and opening new theaters of fighting, marking an aggressive shift in its security posture.

One Year After Oct. 7 Attack, Israel Preps for a Future at War

By SHAYNDI RAICE

TEL AVIV—One year after the brutal Hamas attack that ended Israel's two-decade golden age of relative peace, expanding wealth and growing diplomatic ties, the country is now firmly on the counterattack and preparing to be at war for years.

Weathering a ferocious Iranian missile assault in recent days and shaking off calls from allies for a cease-fire in Gaza, Israel is instead opening new theaters of fighting.

It launched a stunning series of attacks against the

Lebanese-militia Hezbollah in Lebanon in recent weeks, while simultaneously targeting Houthis rebels in Yemen, rooting out militancy in the occupied West Bank and mapping out its next steps against Iran, the architect of a so-called axis of resistance that includes U.S.-designated terrorist groups bent on destroying Israel.

The campaign marks an aggressive shift in Israel's security posture. For years, the military aimed to provide long stretches of peace that were only momentarily punctured by short conflicts with Pales-

tinian militants. There were occasional military maneuvers aimed at degrading the axis, but they were never severe enough to welcome retaliation. A country founded on austerity, Israel saw its gross domestic product soar. Its bustling commercial capital, Tel Aviv, became indistinguishable from any other affluent Mediterranean city.

Much of Israel's security establishment now believes these decades lay the groundwork for the deadly Oct. 7 attack from Hamas's Gaza stronghold that killed 1,200 people and took another 250

hostage. Israel can no longer allow its enemies the time and space to build up arsenals that can pose an existential threat, many have come to believe.

"Pre-emptive wars will be in the future part of the Israeli tool kit," said Yaakov Amidror, a former Israeli national security adviser.

The impact of this new strategy is expected to touch nearly every part of Israeli society, reshape Middle East geopolitics and shake up relations.

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◆ **Israel reopens northern Gaza offensive..... A6**

Networks Tell Stars: Don't Hope For a Raise

By JOE FLINT AND ISABELLA SIMONETTI

The rampant cost-cutting across a media industry struggling to transition to the streaming era is finally coming for the sacred cows: star talent.

At Disney's ABC, "Good Morning America" anchors George Stephanopoulos, Robin Roberts and Michael Strahan, who each have deals valued at \$25 million annually, will face an uphill battle in the coming negotiations to maintain that compensation, people familiar with the situation said.

At NBC, "Today" anchor Hoda Kotb said late last month she is ending her run on the show. Had she opted to sign a new deal, she would likely have faced a significant cut to her roughly \$20 million-a-year contract, people familiar with her exit said.

Co-host Savannah Guthrie, whose current deal has more than a year to run, might face the same situation with her similarly valued contract, but has some leverage given Kotb's exit, people close to the network said. Puck earlier reported on Kotb's exit.

ESPN, meanwhile, recently laid off senior NBA writer Zach Lowe, one of its star analysts, after it had already said goodbye to other big names like Robert Griffin III.

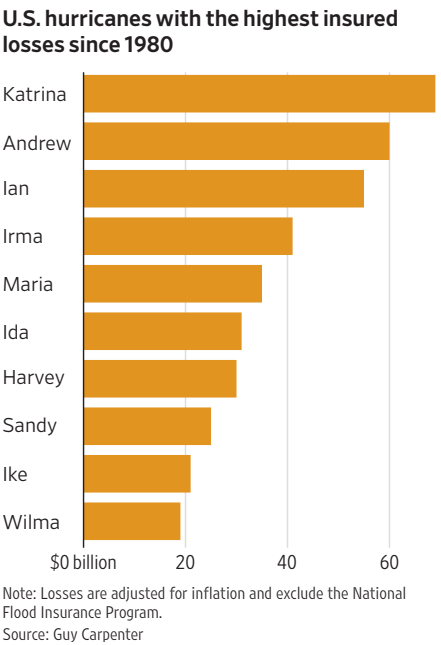
Agents for big stars have gotten a message loud and clear from network suits: Don't expect a raise and be prepared for a pay cut.

"The day of the media icon, the standout, stand-alone center-stage TV personality, is coming to end," said Frank Sesno, a professor of media and public affairs at George Washington University and a former Washington bureau

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Insured Face Tougher Terms

Homeowners in the six states pounded by Hurricane Helene will likely face insurance shock when they try to collect on their policies. Insurers in recent years have hollowed out coverage and increased rates to make up for underwriting losses from natural disasters. Helene's reach could mean yet more price increases are on the way for property owners in hard-hit inland areas. **A3**



Neighbors Battle Over Halloween Craze That Just Won't Die

Owners of 12-foot skeletons keep them up year-round, skirting association rules

By JENNIFER WILLIAMS

Caleb Frost had a grave problem.

It was early January and "Hubert," a 12-foot-tall skeleton decoration that had towered over his front yard since September, was jangling the nerves of neighbors. His homeowners' association told him it needed to come down.

"Please remove skeleton from view," stated the misspelled instructions, arriving on official letterhead, accompanied by a photo of Frost's lawn. The 31-year-old teacher says he had planned to take down Hubert, but as

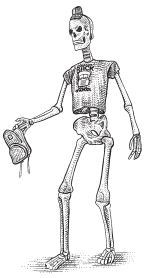
the father of a newborn, hadn't yet found the time.

The missive sealed the skeleton's fate: Hubert is now a year-round presence in Frost's Houston-area neighborhood—and his outfit changes every couple of months.

"The letter from the HOA told me that I would incur a fine if Hubert the skeleton was not removed from my yard within the next few days," Frost said. "So in what I can only describe as a fit of pettiness, I changed his outfit for the upcoming Mardi Gras season and I kept it going."

Home Depot's 12-foot

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Bone frenzy

Corporate Insiders Sit Out Stock Rally

By KAREN LANGLEY

Stock investors could hardly be more enthusiastic: The S&P 500 has raced higher, notching its best first nine months of a year since 1997.

Yet some of the best-informed investors don't seem to share the optimism.

Corporate insiders have been reluctant to snap up shares of their companies. Of all U.S. companies with a transaction by an officer or director in July, only 15.7% reported net buying of company shares, according to InsiderSentiment.com. That was the lowest level in the past 10 years. The figure ticked up to 25.7% in August before falling to 21.9% in

September, well below the 10-year average of 26.3%.

Followers of insider sentiment believe the trades of company executives and board members, who ought to be well-informed about the prospects for their own businesses, can collectively provide a signal about the future performance of the market as a whole.

In recent months, that signal hasn't been promising.

It isn't the only potential sign of caution. Berkshire Hathaway, helmed by Warren Buffett, has been building its cash position. Leaders of big tech companies including Jeff Bezos at Amazon.com and

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Trump's Eldest Emerges As MAGA Crown Prince

By MOLLY BALL

Sitting next to the man he installed as the Republican vice presidential nominee, Donald Trump Jr. couldn't help but gloat.

"I expended about 1,000 of my political capital" convincing his father to select JD Vance, he said with a grin as Vance smiled bashfully beside him. "Making the argument, getting others who believe the same thing to do that—you know, just a constant barrage. I can be pretty persistent when I need to be."

It was early on the morning of the vice presidential debate, and Trump Jr. and Vance were sipping coffee and reflecting on their unlikely partnership in a suite at a Trump hotel overlooking New York City's Central Park. Apart from their matching chinstrap beards, the two men cut dramatically different figures. Trump, 46 years

old, looked ready to headline a fundraiser in a crisp tieless suit; Vance, 40, looked like an undergrad who had been up all night cramming for finals, with disheveled hair and a ratty blue T-shirt reading OHIO'S LAKE ERIE.

That Trump Jr. succeeded in muscling his buddy onto the ticket was testament to the dominant position he has assumed in his father's orbit. The crown prince of MAGA world wears many hats—campaigner, propagandist, author, podcaster, businessman, memelord—and not all Republicans believe his influence is positive. But after a lifetime of scraping for his dad's approval, he has become the former president's most essential political adviser, a conduit and gatekeeper who keeps the GOP presidential nominee in step with his base.

Though he keeps up a packed schedule campaigning

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