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DJIA 39935.07 ▲ 81.20 0.20% NASDAQ 17181.72 ▼ 0.9% STOXX 600 508.63 ▼ 0.7% 10-YR. TREAS. ▲ 7/32, yield 4.255% OIL \$78.28 ▲ \$0.69 GOLD \$2,351.90 ▼ \$61.40 EURO \$1.0846 YEN 153.94

What's News

Business & Finance

- ◆ **The U.S. economy** accelerated in the second quarter with GDP rising at an annual rate of 2.8% as consumers increased their spending, businesses invested more in equipment and stocked inventories, and inflation cooled. **A1**
- ◆ **The Dow rose** after the report, gaining 0.2% while the S&P 500 and Nasdaq fell 0.5% and 0.9%, respectively. **B9**
- ◆ **Southwest Airlines** will soon assign seats on flights and sell some with extra legroom, making sweeping changes in a bid to broaden its appeal to passengers and boost revenue. **A1**
- ◆ **Consumer-goods giant** Unilever said the separation of its ice cream business was on track after it posted sales above analysts' expectations for the first half. **B1**
- ◆ **Uber, Lyft** and other companies that depend on gig workers scored a victory with California's top court, affirming their independent-contractor model in the state. **B1**
- ◆ **Nestlé cut** its full-year sales guidance after it slowed the pace of price hikes as shoppers continue to seek cheaper alternatives to branded products. **B2**
- ◆ **Kroger and Albertsons** agreed to temporarily put their \$20 billion deal on hold while antitrust enforcers pursue lawsuits to block it. **B2**
- ◆ **Anglo American swung** to a net loss in the first half of the year after booking an impairment of \$1.6 billion related to its U.K. crop-nutrients project. **B3**
- ◆ **Stellantis posted** a steep first-half drop in earnings that fell below forecasts as more cars sat at U.S. dealerships. **B3**

World-Wide

- ◆ **More Americans** are driving without car insurance, a percentage that rose to 14% in 2022, according to an insurance research group, and that is making coverage more expensive for everyone else. **A1**
- ◆ **Mexican drug kingpin** Ismael "El Mayo" Zambada was arrested by U.S. agents after he was tricked into flying to Texas, Mexican and U.S. officials said. Joaquín Guzmán López, son of "El Chapo," was also arrested. **A3**
- ◆ **Biden and Harris** met separately with Israel's Netanyahu, as the administration sought to settle gaps in a Gaza cease-fire deal. **A4**
- ◆ **California Gov. Newsom** issued a directive calling for cities to take down homeless encampments after the Supreme Court expanded the authority of municipalities to dismantle the camps. **A2**
- ◆ **Russian and Chinese** warplanes were intercepted off the coast of Alaska by U.S. and Canadian fighters, marking the first time strategic bombers from the two U.S. adversaries have operated together near North America, a U.S. official said. **A7**
- ◆ **A man suspected** of starting one of the largest California wildfires of the year has been arrested. **A6**
- ◆ **The Philippines** is shutting down online gambling operations, many run and staffed by Chinese nationals, amid concerns the businesses are crime fronts. **A8**
- ◆ **Fifteen migrants** were confirmed dead and 150 others were missing after a boat capsized near Mauritania. **A7**

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U.S. Economy Grows at a Faster Pace

Quarterly GDP rises at a 2.8% rate as households ratchet up their spending

By HARRIET TORRY

The U.S. economy accelerated in the second quarter as consumers increased their spending, businesses invested more in equipment and stocked inventories, and inflation cooled.

Gross domestic product—the value of all goods and services produced in the U.S., adjusted for inflation and seasonality—rose at an annual

rate of 2.8% for April through June to \$22.9 trillion, the Commerce Department said Thursday.

That was faster than the 1.4% pace in the first quarter, and well above the 2.1% rate economists had expected. Household spending, the main driver of the U.S. economy, increased at a quicker pace as Americans' incomes continued to rise.

Stocks ended the day mixed. The Dow Jones Industrial Average was up slightly. The S&P 500 and Nasdaq Composite fell less than 1%.

The new data shouldn't change the outlook for the Federal Reserve. Officials have

signaled that they expect to hold interest rates steady at their meeting next week but could cut at their subsequent meeting, in September, if inflation continues to cool.

Thursday's release is one of the last major readings of the economy's temperature that Fed officials will see before their meeting. The report suggests that the economy remains on solid footing, even two years after soaring inflation prodded the Fed to start raising rates at the fastest pace in decades.

The report, though, looks at previous months rather than at what is coming up. Companies have been warning that cus-

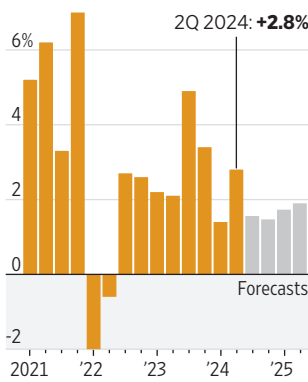
tomers are feeling squeezed, and that they expect that to continue.

"The U.S. consumer remains a source of strength in the overall economy," Capital One Financial founder and CEO Richard Fairbank said during an earnings call Tuesday. Still, the effects of high inflation and borrowing costs "are almost certainly stretching some consumers financially," he said.

Nestlé, the Swiss multinational maker of KitKat chocolate bars and Nescafé coffee, *Please turn to page A2*

◆ **Dow rises after strong GDP data** **B9**

U.S. GDP, annualized quarterly change



Note: Adjusted for inflation and seasonality; forecast is an average of all survey responses. Sources: Commerce Department (actual); WSJ survey of economists (forecasts)

California Wildfire Rages as Suspect Arrested



INFERNO: The Park Fire near Chico had scorched more than 70,000 acres by Thursday, making it one of California's largest wildfires so far this year. Authorities said a man was arrested on suspicion of starting it by pushing a burning car into a gully. **A6**

Maduro Allies Hunt Dissidents Abroad Ahead of Venezuela's Election

Deadly reprisals across international borders blamed on country's president

By RYAN DUBÉ AND JUAN FORERO

Ronald Ojeda and his family were asleep when three masked men used a battering ram to bust into their 14th floor apartment around 3 a.m.

The men, who wore Chilean police uniforms, held Ojeda, and one pointed a gun at his wife. The couple's 6-year-old son cried. "I yelled, 'No, no no,'" recalled his wife, Josmarthy Castillo. "They just told me to shut up."

The men hustled away her husband in his underwear, hands behind his back. "Be calm," he said. That was on

Feb. 21, the last time his wife saw him alive. On a tip, investigators found Ojeda's body days later. It was stuffed in a suitcase buried under 4 feet of concrete in a nearby shantytown.

Ojeda believed he and his family would be safe in Santiago, Chile, 4,000 miles away from Venezuela, their home country. The 32-year-old, a former army lieutenant, became a marked man after joining dissidents in a plot to topple leftist President Nicolás Maduro's authoritarian regime late last year.

In advance of Sunday's presidential election, the Venezuelan government

has stepped up arrests and conspiracy claims in the contest between Maduro and retired diplomat, Edmundo González. Pollsters say González could easily win in a fair election.

That isn't expected to happen, according to diplomats and Venezuela experts. They say Maduro and his lieutenants would likely face charges for drug trafficking and extrajudicial killings in Venezuela and abroad, an incentive to hold power. Maduro in a rally last week warned of civil war if he lost—"a blood bath," he said.

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Desperately Seeking Pallets

Detectives look high and low for missing platforms

By STUART CONDIE

SYDNEY—When the world's biggest supplier of wooden pallets tries to recover its lost property from junkyards and hard-to-find lots, things can get ugly.

"If you're in Europe, it goes relatively easily. If you're in Alabama, unfortunately sometimes a guy comes out with two dogs and a shotgun," said Graham Chipchase, chief executive of Brambles, which owns and rents reusable pallets to companies including manufacturers, suppliers and retailers.

Wooden pallets keep global supply chains humming, carrying everything from soda *Please turn to page A9*

PARIS 2024



OLYMPICS PREVIEW

Sprinter Sha'Carri Richardson and other Team USA members will go for the gold. **A12-A13**

More Drivers Forgo Insurance, Raising Costs for Everyone

By KAILYN RHONE

More Americans are driving without car insurance, and it's making coverage more expensive for everyone else.

The problem has been growing since the start of the Covid-19 pandemic, according to the Insurance Research Council, whose latest data show the percentage of uninsured drivers rose to 14% in 2022, from about 11% in 2019. The IRC, which calculates the data based on the relative frequencies of auto-insurance claims, expects the numbers have continued to climb since then.

Washington, D.C., New Mexico and Mississippi are among the jurisdictions with the highest share of uninsured motorists, the IRC says.

Washington has recorded almost 19,000 uninsured vehicles since 2021, according to a representative at the district's department of motor vehicles.

In Ohio—ranked 10th on the list—the number of non-compliance suspensions increased 16% between 2020 and 2023, according to the state's Bureau of Motor Vehicles. Such infractions occur when a driver fails to show proof of insurance at a traffic stop or after an accident.

J.D. Power, which bases its research on consumer surveys, sees a similar trend and says the percentage of uninsured drivers increased in the first half of this year.

When more cash-strapped consumers drop their coverage, it reduces the premium *Please turn to page A6*