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Manhunt Intensifies in France

Thousands of Troops, Police Officers Mobilized in Hunt for Two Brothers

BY INTI LANDAURO
AND NOÉMIE BISSEBEE

PARIS—Tens of thousands of soldiers and police mobilized across France on Thursday amid a manhunt for two brothers who allegedly killed 12 people in a gruesome attack on Charlie Hebdo magazine, as anxious Parisians stopped for a moment of silence to honor the dead.

President François Hollande raised the terror alert in an area north of Paris where the search was concentrated, after two men matching the description of the suspects were spotted at a gas station. But they remained at large as the day wore on.

Amid concerns on both sides of the Atlantic about the high level of sophistication and weapons training seen in Wednesday's attack, Interior Minister Bernard Cazeneuve invited top U.S. and European law-enforcement and counter-terrorism officials to Paris to discuss terror threats.

Nine people, including relatives of the two suspects, were detained for questioning by police in relation to the in-

vestigation, Mr. Cazeneuve told a news conference, without elaborating.

The two suspects in Wednesday's spree of violence were identified as 34-year-old Said Kouachi and his brother, Chérif Kouachi, 32, both French citizens. Mr. Cazeneuve said both were known to French security and were under surveillance, but no incriminating evidence had been gathered on them.

The minister said the elder brother had been formally identified from a photograph as one of the attackers. His national identity card was found in an abandoned Citroën that had been used as a getaway car.

While Said Kouachi had no police record, his brother had been sentenced to 18 months in prison in 2008 for being part of a terror group, prosecutors said.

A third suspect identified by police turned himself in late Wednesday. His relationship to the others was unclear.

Helicopters buzzed across the region north of Paris early Thursday after two men resembling the Kouachi brothers were spotted near the town of Villers-Cotterêts, about 50 miles from the capital. But by midafternoon French television showed most of the police had left.

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Holding hands at the Place de la République in Paris in solidarity with victims of Wednesday's attack.

Santander To Raise Capital, Cut Payout

BY JEANNETTE NEUMANN
AND CHRISTOPHER BJORK

MADRID—Banco Santander SA, dogged by concerns that its capital cushion is too thin, plans to raise as much as €7.5 billion (\$8.88 billion) by selling new shares, the latest move by Executive Chairman Ana Botín to put her stamp on the bank since taking over in September after the death of her father.

Santander said in a regulatory filing Thursday that it would sell as much as 1.26 billion shares overnight to institutional investors.

Ms. Botín said Thursday that the share sale rounds out three issues she set out to tackle upon taking the helm: increasing the number of independent directors on the board, shaking up the management team, and shoring up the lender's capital base.

Analysts estimated that the share sale would put Santander's capital level—under international regulations known as “fully loaded” Basel III criteria—at around 10%, more in line with its European peers.

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European Officials Step Up Security Moves

Several European countries stepped up security measures as Wednesday's shooting in Paris reinforced long-held worries among officials about the threat of gun-wielding attackers.

*By Cassell Bryan-Low
in London, Stacy
Meichtry in Paris and
Anton Troianovski in
Berlin*

European security and intelligence officials say people who act alone or in small groups and sow carnage with guns are among the biggest threats to emerge from the

current wave of Islamic extremism. That is because they are easier to organize than a large-scale bombing plot and will typically involve less communication within terror networks that intelligence agents can intercept.

The attack “is a terrible reminder of the intentions of those who wish to harm us,” Andrew Parker, the head of the U.K.'s domestic intelligence service said in a speech Thursday.

French authorities have since deployed more than a thousand additional police and paramilitary forces across

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Central-Bank Hopes Lift U.S. Stocks Out of Red

BY ALEXANDRA SCAGGS
AND TOMMY STUBBINGTON

U.S. blue chips jumped into the black for the year and European stocks also surged on Thursday, propelled by the prospects of more accommodative monetary policy from central banks in Europe and the U.S.

The Dow Jones Industrial Average jumped 323.35 points, or 1.8%, to 17907.87. With the gains, it is up 0.5% for 2015, erasing a previous loss of as much as 2.5%. The S&P 500 gained 36.23 points,

or 1.8%, to 2062.13, and the Nasdaq Composite Index rallied 85.72 points, or 1.8%, to 4736.19.

The Stoxx Europe 600 index climbed 2.8% to 342.35, leaving it only marginally lower on the year.

Much of the U.S. buying came from large institutions that hadn't waded in during the early year decline, traders said. After many money managers trailed their benchmarks in 2014, large institutional investors are worried about missing out on more gains in the U.S. stocks, said

David Seaburg, head of sales trading at Cowen and Co.

“There's a general fear in the market of being left behind,” he said.

Comments from Charles Evans, president of the Federal Reserve Bank of Chicago, helped spark the gains. He said late Wednesday the U.S. might not hit the Fed's target inflation rate until 2018, and he doesn't advise raising interest rates until 2016. The first interest-rate increase is widely expected this year. Mr. Evans is known as a proponent of raising rates.

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