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Insomnia Blues

PERSONAL JOURNAL | D1



The Supreme Court's Cultural Winners

OPINION | A12

DOW JONES | News Corp *****

TUESDAY, JUNE 28, 2016 ~ VOL. CCLXVII NO. 150

WSJ.com ★★★★★ \$3.00

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What's News

Business & Finance

Britain's vote to leave the EU has stoked currency pressures, further complicating central banks' efforts to spur growth. The pound hit a three-decade low, while the Japanese yen, Swiss franc and U.S. dollar posted gains. China's yuan dropped. **A1, C3**

◆ **Losses deepened** in equity markets, wiping out \$3 trillion from global stocks in two days. Bank shares were again hit hard. Investors bought haven assets, pushing down yields on government debt. **C1**

◆ **Fallout from the vote** cascaded through the boardrooms of U.K. businesses and forced executives across Europe to rethink investment and hiring plans. **B1**

◆ **PepsiCo said** it would bring back Diet Pepsi with aspartame, less than a year after replacing the sweetener with sucralose. **A1**

◆ **Lyft has hired** Silicon Valley deal-maker Qatalyst, which has contacted companies about acquiring a stake in the ride-hailing startup. **B1**

◆ **The EU signaled** it plans to issue more antitrust charges against Google over its advertising dominance. **B4**

◆ **Energy firms** will have to report their payments to governments for extracting oil, gas and minerals under just-completed SEC rules. **B2**

◆ **SolarCity formed** a two-person special committee and appointed outside advisers to help evaluate Tesla's bid. **B3**

World-Wide

◆ **The Supreme Court** concluded its term with a sweeping affirmation of abortion rights, striking down parts of a Texas law that had caused clinics to close. **A1**

◆ **The justices threw out** the conviction of Virginia ex-Gov. McDonnell, raising the bar for corruption cases against public officials. **A3**

◆ **The court upheld** a gun ban for individuals convicted of misdemeanor counts of domestic violence. **A2**

◆ **The U.K.'s Cameron**, in his first address to Parliament since the Brexit vote, said his government would begin taking steps to leave the EU. **A1**

◆ **EU leaders remain** split over future reforms and how the bloc should approach U.K. exit talks. **A6**

◆ **The Brexit vote** expands the portfolio of foreign-policy challenges that the next U.S. president will inherit. **A7**

◆ **Third-party candidates** could find an opening in a race where voters hold negative views of both Clinton and Trump, a poll found. **A4**

◆ **Trump appears** to be backing away from his proposed ban on Muslims entering the U.S. **A4**

◆ **Turkey's president** apologized to Putin for the downing of a Russian jet near the Syrian border last year. **A8**

◆ **Spain's premier**, bolstered by election results, urged the opposition to help him break a political stalemate. **A9**

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Currency Swings Hit Central Banks

By CHELSEY DULANEY AND CORRIE DRIEBUSCH

Britain's vote to leave the European Union has set off a fresh round of currency pressures in the world's largest economies, further complicating efforts by central banks to spur growth.

The pound hit a three-decade low on Monday, and both Standard & Poor's and Fitch Ratings cut their ratings on

the U.K., saying that last week's vote raises risks to the country's economy.

Meanwhile, the Japanese yen, Swiss franc and U.S. dollar posted further gains, as market turmoil resumed after the weekend and sent investors in search of havens. Government bonds also benefited from the flight from risk, with the yield on the 10-year British bond falling below 1% for the first time, as the rout in

U.S. and European stocks deepened.

The currency moves, in particular, pose risks for businesses and in turn for economies that have posted lackluster performance.

The resurgent yen and franc are putting renewed pressure on companies in Japan and Switzerland. Meanwhile, U.S. companies that had benefited from a weakening dollar this year face a bout of

currency-related stress as the second-quarter earnings season looms.

Stronger currencies tend to make a country's exporters less competitive as the effective price of their goods goes up. They also tamp down inflation as import prices fall, frustrating outcomes for central banks in Japan, Europe and the U.S. that are trying to calibrate policies to boost

Please see **BANKS** page A7

Cameron To Begin Process for EU Exit

By JENNY GROSS

LONDON—Prime Minister David Cameron, addressing Parliament for the first time since Britain's momentous decision to leave the European Union, sought to quash discussion about whether the vote would stand as markets remained volatile.

Mr. Cameron, who campaigned in favor of remaining in the EU and has announced plans to resign, said his government would begin taking steps to leave the union. While he said he didn't believe the outcome of the vote was best for the nation, Mr. Cameron said there was "no doubt about the result."

Despite efforts by Mr. Cameron, and his finance chief George Osborne, to instill calm, financial markets remained volatile. Hours after Mr. Cameron spoke, Standard & Poor's Global Ratings stripped the U.K. of its top triple-A credit rating, following through on its warning that last week's vote to leave the EU threatens the country's constitutional and economic integrity. Fitch Ratings followed suit, cutting the country's ratings by one notch, also to double-A.

"It is clear that markets are volatile, there are some companies considering their investments and we know this is going to be far from plain sailing," Mr. Cameron said to a packed House of Commons. "However, we should take confidence from the fact that Britain is ready to confront what the future holds for us from a position of strength."

Earlier, Mr. Osborne, in his first speech since the vote, said the U.K.'s economy was strong and its banks and financial system were healthy. Boris Johnson, a key contender to replace Mr. Cameron as prime minister and a main driver of the campaign to leave the EU, spoke outside his home on Monday, saying "people's pensions are safe, the pound is stable, the markets are stable, I think that is all very good news."

Mr. Cameron said that Article 50 of the EU's Lisbon Treaty, which sets in motion

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Vote's Aftermath

- ◆ EU's show of unity belies a stark divide..... **A6**
- ◆ U.K. firms rethink plans amid vote fallout..... **B1**
- ◆ Bank stocks lead a global selloff..... **C1**



Advocates on both sides of the abortion issue faced off Monday outside the Supreme Court as justices viewed a Texas law on clinics.

Justices Reject Texas Abortion Rules

By JESS BRAVIN

The Supreme Court closed its term Monday with a sweeping affirmation of abortion rights, striking down parts of a Texas law that had caused clinics to close and dimming the hopes of antiabortion forces for a wave of similar measures in other states.

By a 5-3 vote, the court found Texas placed an "undue burden" on women seeking abortions by requiring that clinics meet the standards of ambu-

latory surgery centers, and that their physicians maintain admitting privileges at a hospital within 30 miles.

"Neither of these provisions offers medical benefits sufficient to justify the burdens upon access that each imposes," Justice Stephen Breyer wrote, joined by Justices Anthony Kennedy, Ruth Bader Ginsburg, Sonia Sotomayor and Elena Kagan. "Each places a substantial obstacle in the path of women seeking a pre-viability abortion, each constitutes an undue burden on

abortion access, and each violates the federal Constitution."

The 2013 law has been partially blocked during the litigation. The federal district court in Austin, which initially ruled the law unconstitutional, found that it would leave a handful of abortion clinics operating in major cities such as Dallas, Houston and San Antonio, but would eliminate ready access to abortion for women elsewhere in the vast state.

There were 19 facilities offering abortion services in

Texas as of February 2016, state records show, down from 39 four years earlier. It is unclear how many of the closed facilities will reopen in the wake of Monday's decision.

The ruling likely dooms similar measures in other states, including a Wisconsin admitting-privileges law that a federal

Please see **TEXAS** page A2

- ◆ Court backs gun curbs for domestic violence..... **A2**
- ◆ Ex-governor's graft conviction is tossed out..... **A3**

Pepsi Tries to Fix Diet Cola Stumble

By MIKE ESTERL

PepsiCo Inc. spent two years surveying consumers, conducting taste tests, and tinkering with soft drink recipes in order to fix Diet Pepsi, only to find it had completely misread what its customers wanted.

Less than a year after launching its new Diet Pepsi with sucralose—and abandoning the controversial sweetener aspartame—PepsiCo has made

an about-face. On Monday, after plummeting sales and howls of protest from the diet soda's devotees, the company announced it will bring back Diet Pepsi with aspartame in September.

In its effort to bolster sales of Diet Pepsi, PepsiCo had run into two problems. The first: many drinkers were shifting away from artificially sweetened diet drinks, sending sales nose-diving. The second: those

who remained ardent fans liked the taste of aspartame, and didn't like sucralose.

The company said Monday it was making the move because "consumers want choice in diet colas."

But its reformulation effort—launched last August—had made the market share losses worse, not better. U.S. retail sales of Diet Pepsi fell 10.6% in volume terms in the first quarter of 2016; its soda

market share fell 0.4 percentage points to 4.1% in the period, according to industry tracker Beverage Digest. Sales of Coca-Cola Co.'s Diet Coke declined 5.7% over the same period. Diet Coke has a 74% soda-market share.

Now, PepsiCo says, the Diet Pepsi with aspartame will be carried in U.S. stores along with the sucralose version. PepsiCo also said it would give its

Please see **PEPSI** page A10

Sweaty Soldiers Plead for Right to Keep Arms Bare

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Long sleeves granted leave from Army's Fort Hood; Rollback time?

By PAUL SONNE

Army Specialist Cortne Mitchell, originally from Staten Island, N.Y., moved to Texas for his assignment at Fort Hood and learned the meaning of hot.

Spc. Mitchell and his fellow petroleum-supply specialists labor in summer temperatures that can hover around 100 degrees. Humidity can reach 90%.

Maybe it was the heat. Maybe it was the humidity. But the transplanted New Yorker and his colleagues had a vision: If they could only roll up their sleeves.

"It has always been a con-



Rolled sleeves

versation amongst me and my buddies," Spc. Mitchell said. "How nice it would be."

When top Army officials visited Fort Hood this month, Spc. Mitchell saw his chance. He raised his hand at a question-and-answer session and suggested a summer uniform.

"What do you want, shorts?" Spc. Mitchell re-

called the official saying.

No, he said, but what about rolling up sleeves? Army Chief of Staff Gen. Mark Milley met with Spc. Mitchell and agreed. The service declared Fort Hood would begin a 10-day trial "to evaluate the practicality of sleeve-rolling across the Army."

Spc. Mitchell rolled up and rejoiced.

The 10-day trial ended Monday, and now Gen. Milley will decide two main things. First, should sleeve-rolling be allowed Army-wide. And, if so, how and when soldiers' sleeves should be rolled up. One idea is to follow day-

Please see **ARMS** page A10

Lyft Gets a Push From Bank



ROLL OUT: Investment bank Qatalyst Partners has contacted auto makers about investing in Lyft, but it isn't clear whether the ride-sharing startup is aiming to sell itself or raise new funding. **B1**

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