

THE WALL STREET JOURNAL.

What's News

Business & Finance

- ◆ **Elon Musk's xAI** is in talks with investors for a funding round that would value the startup at around \$40 billion, according to people familiar with the matter, escalating the tech industry's race to build advanced generative AI technology. **A1**
- ◆ **Google reported** accelerated revenue growth thanks to strong results in its cloud-computing division, boosting the company's fortunes during a costly push into artificial intelligence. **A1**
- ◆ **A rally in tech stocks** lifted the Nasdaq 0.8% to a record, its 28th of the year, while the S&P 500 rose 0.2% and the Dow fell 0.4%. **B11**
- ◆ **Consumer sentiment** in the U.S. this month improved at the steepest pace in more than three years, as confidence grew in the economy and personal incomes. **A2**
- ◆ **JPMorgan Chase sued** four people who it says committed check fraud by withdrawing large sums of cash as part of a TikTok craze. **B1**
- ◆ **BP's profit fell** in the third quarter, although less than expected, as weak oil prices and refining margins continued to weigh on the energy sector. **B3**
- ◆ **Novartis raised its** guidance for the third time this year after reporting higher third-quarter results boosted by revenue from its blockbuster drugs. **B3, B12**
- ◆ **Visa plans to lay off** around 1,400 employees and contractors by year-end, according to people familiar with the matter, as part of an effort to streamline its international business. **B4**

World-Wide

- ◆ **Israel's Parliament** passed legislation to sever ties with the United Nations agency for Palestinian refugees, curtailing the group's ability to work in Gaza and the West Bank as it leads the humanitarian response to the war in Gaza. **A1**
- ◆ **Billionaire investor John Paulson** said he would work with Tesla CEO Elon Musk to enact massive federal spending cuts if Paulson were to become Treasury secretary in a second Trump administration. **A5**
- ◆ **The Harris and Trump** campaigns are pitching their economic remedies across Nevada, a swing state with the highest jobless rate of any state and one of the starkest imbalances of housing costs and income. **A3**
- ◆ **New X users** declaring non-political interests are being blanketed with political content and fed posts that lean toward Trump and sow doubt about the integrity of the Nov. 5 election, a Wall Street Journal analysis found. **A6**
- ◆ **A federal district court** ruled against Republican lawmakers from Pennsylvania who challenged ballots from overseas and ballots that military voters cast in the state. **A5**
- ◆ **Former Trump aide** and podcaster Steve Bannon was released from prison after serving a four-month sentence for contempt of Congress. **A5**
- ◆ **The man sentenced** to 30 years in prison for attacking Paul Pelosi was given a life term without the possibility of parole after a separate state trial. **A5**
- ◆ **Died: Teri Garr**, 79, co-star of "Young Frankenstein." **A3**

CONTENTS

| | |
|------------------------|--------|
| Opinion..... | A15-17 |
| Arts in Review..... | A13 |
| Personal Journal AIQ12 | |
| Business News..... | B3 |
| Property Report..... | B6 |
| Crossword..... | A14 |
| Sports..... | A14 |
| Equities..... | B9 |
| Technology & Media | B4 |
| Heard on Street..... | B12 |
| U.S. News..... | A2-6 |
| Markets..... | B11 |
| World News..... | A7-8 |

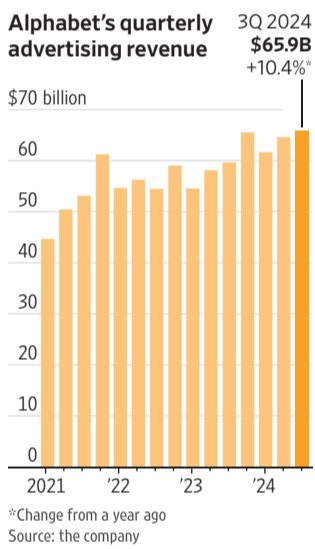


Launch Moves China Closer to Lunar Outpost Goal



LIFTOFF: The Shenzhou-19 spacecraft atop a Long March rocket takes off from a launch center in northwestern China early Wednesday. The spacecraft will carry three of China's astronauts to the country's orbiting space station. **A8**

Google's Cloud Unit Powers Accelerating Revenue Growth



BY MILES KRUPPA

Google's parent company reported a 15% jump in year-over-year revenue driven by strong results in its cloud-computing division, boosting the company's fortunes during a costly push into artificial intelligence.

Alphabet recorded total revenue of \$88.3 billion in the third quarter, which grew at a faster rate than the second quarter's 14%.

Google's cloud division, which sells computing power in data centers and has been a beneficiary of the AI boom, brought in \$11.4 billion of revenue. That was up 35% from

previous year, compared with 28.8% in the second quarter.

However, Google's search engine and YouTube video platform both reported slowing revenue growth for a second straight quarter, indicating troubles in the company's advertising business.

Alphabet reported total ad sales of \$65.9 billion in the third quarter, an increase of 10.4% from the same period last year. That compared with 11.1% growth in the second quarter.

The results kicked off a busy week of technology company earnings, in which Microsoft, Amazon and Meta Platforms are all scheduled to

be reporting results. Investors will be looking closely for signs of whether AI spending is starting to benefit companies' bottom lines. Google hasn't broken out exactly how much revenue it has made from AI services.

Google and other tech giants have significantly ramped up AI spending over the past few years as part of the broader AI boom. Most of that money has gone to build new data centers to develop and run AI models.

Alphabet's capital expenditures were \$13.1 billion in the third quarter, up 62% from the same period last year.

Please turn to page A2

Musk's Startup xAI Eyes \$40 Billion Valuation

Biggest AI ventures in Silicon Valley are raising money at breakneck speed

BY BERBER JIN AND MEGHAN BOBROWSKY

Elon Musk's xAI is in talks with investors for a funding round that would value it around \$40 billion, according to people familiar with the matter, escalating the tech industry's race to build advanced generative AI technology.

The startup was last valued at \$24 billion just a few months ago, when it raised \$6 billion in the spring.

xAI hopes to raise several billion dollars in the new funding round, one of the knowledgeable people said. The cash raised would be added to the \$40 billion valuation.

The funding discussions are in the early stages, meaning that terms could change or the talks could fall apart.

Representatives for xAI didn't respond to requests for comment.

Silicon Valley's biggest AI startups are raising cash at breakneck speed to fund the intensive computing power needed to develop and run their technology. Earlier this month, OpenAI raised \$6.6 billion at a \$157 billion valuation in what was one of the largest private funding rounds in U.S. history. Perplexity, an AI search startup, is in talks to raise new funding that would more than double its valuation to \$8 billion, The Wall Street Journal recently reported.

They are competing not just with each other, but with huge public companies—like Google parent Alphabet and

Please turn to page A6

Dread of a Knock Bringing Eviction

High rents in fast-growing Phoenix pressure many tenants. Laws friendly to landlords can mean speedy removals.

BY WILL PARKER

PHOENIX—On a recent afternoon, Rhys Torres crossed a partly shaded courtyard to a white stucco building. He tapped on a door and a woman in a fleece zip-up and sweatpants appeared. "I understand what you're here for," she said. "You can come in."

But she began to panic in the cramped living room that held a bed. "I can't breathe," she said.

"Take a slow breath," Torres told her. "We're good.

"We'll give you some time." That meant about 10 minutes. It was enough time to put together an overnight bag with a few essentials, and Torres told the woman she could come back for bigger items later.

Torres, who works at one of 26 eviction courts in the county, has the job of removing people from their homes when they've stopped paying rent.

The constable has been busy this year. Court filings to evict tenants across Maricopa

Please turn to page A9

INSIDE



GRANT THINDLEY FOR WSJ

BUSINESS & FINANCE
Bosses are ordering workers back to the office—and it's a boon for landlords. **B1**

WORLD NEWS
The Dominican Republic launches effort to deport 10,000 Haitians a week. **A8**

CEOs Are Cozying Up To Trump as Race Appears Deadlocked

As Donald Trump held court at a recent black-tie charity dinner in New York, business leaders approached the former president throughout the night for quick chats.

By Chip Cutter, Theo Francis and Preetika Rana

The conversations were brief, but the message was clear: After months of sitting out the heated contest, hoping to avoid the backlash that can come with picking a side, some CEOs are cozying up to the GOP presidential nominee, if stopping short of endorsing him. It helped that Vice President Kamala Harris skipped the gala to

Harris Pushes To 'Turn Page'

Vice president frames closing days as choice between two visions..... **A4**

stay on the campaign trail. "The vibe that night was quite positive," said Ken Langone, the billionaire co-founder of Home Depot and one-time supporter of Trump rival Nikki Haley. "If Trump wins, I think it's going to be great for the economy."

Other CEOs worry about Trump's proposed tariffs and

Please turn to page A4

How Do You Rattle a Judge? Send in Art the Clown

Halloween contest in Southern District traumatizes the jurists who preside over it

BY CORINNE RAMEY

Federal judges in Manhattan face daily frights like angry litigants, overzealous prosecutors and the specter of being reversed by an influential appeals court. But nothing prepares them for Art the Clown.

"Watch out for that saw there," top courthouse executive Edward Friedland said last week, pointing to the bloody animatronic figure of a hacksaw-

wielding demonic mime. "It almost took off Judge Rakoff's head."

U.S. District Judge Jed Rakoff is one of 10 jurists deciding the scariest of the thousands of proceedings held annually in the Southern District of New York: the courthouse administration's annual Halloween competition.

Once a year, the normally staid government of-

Please turn to page A9



Judge Rakoff

Israel Bans U.N. Group Giving Palestinians Aid

BY CARRIE KELLER-LYNN

TEL AVIV—Israel's Parliament passed legislation to sever ties with the United Nations agency for Palestinian refugees, curtailing the group's ability to work in Gaza and the West Bank as it leads the humanitarian response to the war in Gaza.

The laws passed late Monday effectively ban the United Nations Relief and Works Agency for Palestine Refugees in the Near East, or Unrwa, from operating in Israeli territory and forbid Israeli state authorities from having contact with it. Israel has long criticized Unrwa, which it said is biased against Israel and has Hamas members on its staff.

The provisions would cut the agency off from access to Israeli entrance permits into Gaza and the West Bank. They would also end coordination with the Israeli military, which Unrwa relies upon to ferry staff and aid around Gaza. Israel currently manages all points of entry into Gaza after it took control of the Gaza side of the enclave's crossing with Egypt in May.

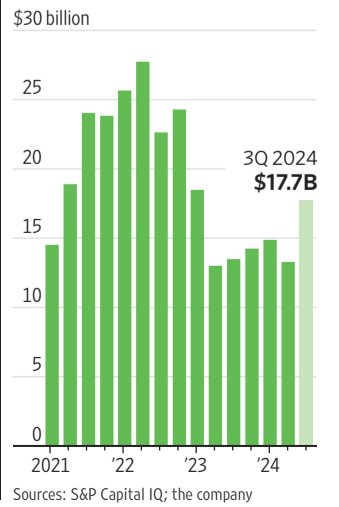
The Biden administration, which recently sent a letter warning Israel to improve aid to Gaza or risk a cut to arms sales, had urged Israel to scrap the vote for several weeks.

Please turn to page A7

Pfizer Results Defy Activist

Pfizer's positive results for the quarter were a blow to activist investor Starboard. **B1**

Pfizer's quarterly revenue



◆ **War propels Houthi into global terrorists.....** **A7**