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What's News

Business & Finance

◆ **Hospitals in eight states** are at risk of running out of cash after their owner filed for bankruptcy, potentially pitting the chain's creditors against regulators, who raced to address concerns about safety. **A1**

◆ **Robinhood said** the SEC warned it of a possible lawsuit against the brokerage's crypto unit over alleged violations of securities laws. **A1**

◆ **Apple has been working** on its own chip designed to run artificial-intelligence software in data center servers, which could give the company an advantage in the AI arms race. **B1**

◆ **The FAA opened** a new investigation into Boeing after the jet maker disclosed that its employees might have skipped some inspections on 787 Dreamliners and falsified records. **B1**

◆ **Paul Weiss hired** top deal lawyer Jim Langston from rival Cleary Gottlieb as a race for talent among Wall Street's elite law firms heats up. **B2**

◆ **U.S. stocks rose** ahead of another busy week of earnings reports, with the S&P 500, Nasdaq and Dow gaining 1%, 1.2% and 0.5%, respectively. **B11**

◆ **Tyson Foods said** improving chicken profitability helped offset losses in its beef business amid a dwindling U.S. supply of cattle. **B1**

◆ **Hong Kong-listed** shares of Li Auto rose 6.1% after the Chinese electric-vehicle maker posted strong orders for the L6, its newest model. **B3**

◆ **Swedish private-equity** firm EQT will acquire U.S. digital consulting firm Perficent in an all-cash deal valued at around \$3 billion, the companies said. **B3**

World-Wide

◆ **Israel began hitting** targets in the southern Gaza city of Rafah after Hamas said it had accepted a proposal to pause the fighting that Israel said fell short of what it could accept. **A1**

◆ **Senior Biden aides** are attempting to inoculate the president's regulatory regime against a quick reversal by Trump should the incumbent's predecessor win the November election. **A1**

◆ **Putin ordered Russia's** military to test its readiness to use tactical nuclear weapons, a step the Kremlin said was a response to recent comments by Western officials. **A6**

◆ **A U.S. soldier** was arrested in Russia after being charged with theft, the Pentagon said, the latest case of an American being detained there since the start of the war in Ukraine. **A6**

◆ **Columbia University** canceled its main commencement ceremony but will proceed with smaller-scale graduations after pro-Palestinian demonstrations disrupted its campus. **A3**

◆ **Prosecutors at Trump's** hush-money trial began walking the jury through the business records that are at the heart of their case. **A4**

◆ **Backers of a subsidy** for some Americans' monthly internet bills are making last-minute appeals to leaders to keep the Affordable Connectivity Program funded. **A5**

◆ **Doctors and researchers** are embarking on the "last mile" of eradicating cervical cancer after decades of progress in screening, vaccination and treatment. **A3**

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RAMADAN ABEDREUTERS

Palestinians fled Rafah toward Khan Younis on Monday after the Israeli military warned civilians to evacuate.

Israel Strikes Targets in Rafah, Calling Hamas Plan Deficient

TEL AVIV—Israel began hitting targets in the southern Gaza city of Rafah, after Hamas said it had accepted a proposal to pause the fighting

By Rory Jones, Anat Peled, Fatima AbdulKarim and Summer Said

that Israel said fell short of what it could accept. Israel's military said on Monday night that it was "conducting targeted strikes against Hamas terror targets in eastern Rafah" hours after Israel

warned tens of thousands of Palestinians to evacuate parts of the city ahead of an offensive.

The new proposal, mediated by Egypt and Qatar, incorporated Hamas's own demands, including a cessation of military operations and a withdrawal of Israeli forces before an exchange of hostages in Gaza for Palestinian prisoners in Israel.

Israel said on Monday it was sending a delegation to the mediators to try to reach a deal even though the "Hamas proposal is far from Israel's necessary requirements." Benny Gantz, a member of Israel's war

cabinet, said "there are serious gaps" in the proposal and that it didn't "match the discussion that was had up until now."

The war cabinet said it decided to continue "the operation in Rafah in order to exert military pressure on Hamas in order to advance the release of our hostages and the other goals of the war," the prime minister's office said.

The U.S. and Israel have called Hamas the obstacle to a deal for much of the past two weeks. The Hamas move, which set off celebrations in Gaza and in Arab capitals, ap-

peared to be designed to pressure Israel to accept a deal, Egyptian officials said.

The White House on Monday acknowledged that Hamas had accepted a proposal for a cease-fire, but John Kirby, a spokesman for the National Security Council, declined to elaborate on the specifics of the deal or whether Israel was inclined to accept the proposal. "We're currently reviewing that response," Kirby said. "And we're discussing it with our partners in the region."

Prime Minister Benjamin Netanyahu said he was pleased to see the deal. "Please turn to page A7"

President Scrambles To Protect His Agenda If He Loses

By Andrew Restuccia

WASHINGTON—Less than four weeks after taking office, President Donald Trump, his senior White House aides and a group of Republican lawmakers gathered in the Oval Office to sign a resolution that killed an obscure Obama-era energy regulation.

"This is a big signing—very important signing," Trump said during the 2017 event.

In the following months, Trump would sign more than a dozen similar resolutions, undoing a raft of Obama administration regulations on everything from unemployment to education. The effort was made possible by Trump's unprecedented use of a 1996 law called the Congressional Review Act, which allows a new president, with the help of allies on Capitol Hill, to quickly eliminate regulations put in place in the final months of the previous administration.

If he wins a second term, Trump plans to use the same tactic to unravel as much of President Biden's agenda as possible, according to people close to him. And senior Biden aides are doing everything in their power to stop him, setting off a behind-the-scenes scramble to Trump-proof as many regulations as they can before they become vulnerable to being overturned under the 1996 law.

The past few months have seen a frenzy of regulatory activity. In April, government agencies finalized nearly three dozen economically significant regulations, more than during any single month of Biden's presidency, according to the George Washington University Regulatory Studies Center. New policy announcements

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Red Carpet Goes Green



ANGELA WEISS/AGENCE FRANCE PRESSE/GETTY IMAGES

IN BLOOM: Jennifer Lopez arrives Monday for the 2024 Met Gala at the Metropolitan Museum of Art, where stars walked a green-tinted carpet for 'The Garden of Time' theme. **A2**

SEC Warns Robinhood Of Possible Crypto Suit

By Alexander Osipovich and Denny Jacob

The Securities and Exchange Commission is preparing to sue Robinhood Markets' crypto unit, ramping up its crackdown on digital-currency trading to target one of the most popular U.S. brokerage firms, the company said Monday.

Robinhood disclosed that its crypto unit received a so-called "Wells Notice" from SEC staff over the weekend, which said the staff had made

a "preliminary determination" to recommend an enforcement action against the unit, called Robinhood Crypto, over alleged violations of securities laws.

The notice isn't a final indication that the SEC will sue Robinhood. Firms that receive Wells notices are allowed to respond and tell the agency why it shouldn't proceed with a civil lawsuit.

Robinhood said it was disappointed by the notice, saying it would appeal. "Please turn to page A5"

'Green Shoots' Grow Out of Control on Wall Street Bankers' favorite metaphor sprouts like a weed, but will dealmaking blossom or wilt?

By AnnaMaria Andriotis and Cara Lombardo

Green shoots are showing across the U.S. There's talk Wall Street is next.

After a two-year frost, bankers are welcoming signs that dealmaking will finally sprout. On Wall Street, "green

shoots" signal a cautious optimism of better times ahead.

"Green shoots" echo other agricultural references in finance, a throwback to an agricultural age when weather, seed and sun determined times of plenty or want. The "yield" on a bond or other investment

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Owner of Hospitals Files for Chapter 11 Protection

Steward Health Care is at risk of running out of cash, putting regulators on alert

By Melanie Evans

Hospitals in eight states are at risk of running out of cash after their owner filed for bankruptcy, potentially pitting the chain's creditors against regulators, who raced to address concerns about safety.

Steward Health Care System became one of the largest hospital bankruptcies in decades when it filed for chapter 11 early Monday. The chain, which operates 30 hospitals, has been in dire financial straits for months, failing to pay bills and burning through emergency loans.

State regulators are worried about Steward, whose physicians provide care for 2.2 million patients a year. In one Steward hospital, bats prompted the evacuation of an intensive-care unit. At others, traveling nurses left after not being paid, and executives have swapped equipment to fill gaps.

Steward has been kept afloat by a deep relationship with its landlord, Medical Properties Trust, which owns 10% of the company and has funneled billions of dollars into Steward and its real estate.

The hospital chain said it is working to finalize a loan of as much as \$300 million from

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A Yacht Seizure Triggers Backlash

Drug case against two foreigners in Equatorial Guinea seen as payback

By Michael M. Phillips

Vice President Teodorin "Teddy" Nguema Obiang was in a mood for payback.

The Obiangs have run the oil-rich Central African country of Equatorial Guinea like a family ATM since 1979, accumulating mansions in Paris and Malibu, Ferraris and Bugattis, and at least three superyachts, according to court documents. And now a South African court was seizing Nguema Obiang's two high-end Cape Town villas and the Blue Shadow, the yacht that carries his jet-ski collection while he vacations on one of

the other two.

He lashed out at "racist scammers" and "white slaver lawyers from Cape Town." He threatened to bar South African ships from Equatorial Guinea's waters and South African planes from its airspace.

Days later, Equatorial Guinean police arrested two South African oil workers, accused them of trafficking cocaine and threw them in prison. The men's family members, employers and U.S. officials say their arrest was direct retaliation against South Africa by Nguema Obiang, son of Pres-

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