

# THE WALL STREET JOURNAL.

## What's News

### Business & Finance

- ◆ **Sexual harassment**, bullying and discrimination have long pervaded the FDIC, according to a blistering report on the agency's culture that calls into question the leadership of Chairman Martin Gruenberg. **A1**
- ◆ **TikTok filed** a federal lawsuit challenging the constitutionality of a new law that requires a sale or ban of the popular social-media app in the U.S. **A1**
- ◆ **The S&P 500 and Dow** rose 0.1% and 0.2%, respectively, with the broad-based index building on its recent rally. The Nasdaq slipped 0.1%. **B12**
- ◆ **Tom Zhu, who is** credited with turning Tesla's Shanghai factory into a stellar performer, is set to return to China, where the electric-vehicle maker's sales have declined. **B1, B4**
- ◆ **Reddit reported** its first results as a public company, with the social-media platform reporting better-than-expected revenue and a narrower-than-expected loss for the first quarter. **B3**
- ◆ **Uber and Instacart** formed an unlikely partnership that will allow customers to order Uber Eats restaurant food through the Instacart app. **B3**
- ◆ **BP plans to cut** at least \$2 billion in costs after its profit was hit by lower oil and gas prices and an outage at a U.S. refinery. **B3**
- ◆ **Aramco's first-quarter** profit missed analysts' forecasts following a lower volume of crude oil sold and weaker refining and chemicals margins. **B7**
- ◆ **Amazon.com said it** would spend \$9 billion to expand its cloud services in Singapore as global tech companies boost their data-center footprints in Asia. **B4**

### World-Wide

- ◆ **Israel sent tanks** into Rafah and took control of the Gaza side of a key border crossing to Egypt, securing a strategic corridor as high-stakes negotiations for a truce and hostage releases intensified. **A1, A6**
- ◆ **The Biden administration** said it had paused weapons destined for Israel, in Washington's first formal rebuke to its top Middle East ally's campaign against Hamas in Gaza. **A6**
- ◆ **The jury heard** testimony from adult-film actress Stormy Daniels in Trump's hush-money trial, including details of an encounter in a Lake Tahoe hotel in 2006. **A1**
- ◆ **A New York judge** struck a measure from the November ballot that Democrats had hoped would put the politically potent issue of abortion front and center for several competitive congressional elections. **A3**
- ◆ **Marjorie Taylor Greene** laid out a list of demands for Mike Johnson but signaled she was wavering on whether to force a vote to oust him as House speaker following blowback from other Republicans. **A5**
- ◆ **Proposed legislation** in New York could make the state the first in the nation to block gun makers from selling pistols if they don't take measures to prevent their modification to enable fully automatic fire. **A5**
- ◆ **Putin was inaugurated** as Russia's president for another six-year term after sidelining or eliminating his rivals and is now focused squarely on the war in Ukraine. **A7**
- ◆ **The Ukrainian Security Service** said it foiled a Russian plot to assassinate President Zelensky by striking his convoy with missiles and drones. **A7**

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## Holocaust Remembrance Day Observed Amid War



**NOT FORGOTTEN:** President Biden, House Speaker Mike Johnson, House Majority Leader Steve Scalise and House Minority Leader Hakeem Jeffries hold images of Holocaust victims at a remembrance ceremony at the Capitol on Tuesday.

## Israel Seizes Border Crossing Amid Revived Cease-Fire Talks

By ANAT PELED AND SUMMER SAID

TEL AVIV—Israel sent tanks into Rafah and took control of the Gaza side of a key border crossing to Egypt, securing a strategic corridor as high-stakes negotiations for a truce and hostage releases intensified. Israeli military footage showed its tanks moving in on the Rafah border crossing, outside the southern Gaza city where more than one mil-

lion people are sheltering from the war. The operation followed a series of Israeli airstrikes against Hamas targets and warnings to civilians in the eastern part of Rafah to move to zones in the west as Israel prepares for a military offensive. Negotiations toward a cease-fire deal resumed in Cairo after an Israeli delegation, Hamas officials, mediators from Qatar and Central Intelligence Agency Director William Burns arrived in the Egyptian capital on

Tuesday. Burns was expected to travel to Israel on Wednesday. As the Biden administration tried to help mediate a cease-fire and stave off a large-scale military offensive in Rafah that would endanger civilian lives, U.S. officials expressed some optimism about the prospects of a deal. "A close assessment of the two sides' positions suggests that they should be able to close the remaining gaps," National Security Council spokesman John Kirby said.

Hamas said Monday that it had agreed to a cease-fire pact that would involve an exchange of hostages abducted by the group on Oct. 7 for Palestinian prisoners in Israel. But the group added conditions that Israel hadn't approved, including a complete Israeli withdrawal from Gaza and an end to the Israeli blockade on the enclave. *Please turn to page A6*

◆ **U.S. pauses weapons shipment to Israel..... A6**

## Porn Star Daniels Details Trump Tryst

Donald Trump greeted adult-film actress Stormy Daniels in silky pajamas at his penthouse suite in a Lake Tahoe hotel in 2006, she told jurors Tuesday at his hush-money trial.

By James Fanelli, Erin Mulvaney and Corinne Ramey

"I said, 'Does Mr. Hefner know you stole his pajamas,'" Daniels recalled joking when she saw him, referring to Hugh Hefner, the founder of Playboy magazine who was known for wearing a similar outfit. The two later had sex, Daniels testified, and after it was over she remembered her hands shaking as she tried to buckle her high-heeled gold

shoes. As she was preparing to leave, Trump expressed interest in another meeting, she said. "Let's keep in touch, honey bunch," she recalled him saying. The brief sexual encounter is at the heart of the trial, in which Manhattan prosecutors allege Trump falsified business records to conceal a \$130,000 payment to Daniels on the eve of the 2016 election to buy her silence. The payment came during a critical moment in his first presidential campaign, prosecutors said. At the time, Trump was under scrutiny after an "Access Hollywood" tape. *Please turn to page A4*

◆ **Office turmoil comes for Trump building..... B6**

### INSIDE



**PERSONAL JOURNAL** Gen Z is starting out with more credit-card debt than generations before them. **A10**

**BUSINESS & FINANCE** Disney adds streaming customers, but shares fall as company posts loss for quarter. **B1**

## TikTok Files Suit In Attempt to Block Divest-or-Ban Law

By JACOB GERSHMAN AND MEGHAN BOBROWSKY

TikTok filed a federal lawsuit Tuesday challenging the constitutionality of a new law that requires a sale or ban of the popular social-media app, setting up a court showdown over national security and free speech in the age of global information wars. The suit, filed directly with a federal appeals court in Washington, D.C., seeks a court order preventing the U.S. from enforcing the bipartisan law signed by President Biden last month. The mea-

sure bans Chinese-backed TikTok in the U.S. unless its parent company, ByteDance, divests itself of the platform by mid-January. Beijing-based ByteDance has said it can't and won't sell its U.S. operations by the deadline, leaving litigation as its best hope to maintain its U.S. market. The lawsuit accuses the government of trampling on TikTok's First Amendment rights—as well as the free-speech rights of millions of U.S. citizens—under the banner of national security. "There is no question: the

*Please turn to page A4*

## Pro Soccer Rookie Is Finance Bro

He's 45, living his dream—and spent big to get there

By DAVID MARINO-NACHISON AND PATRICIA KOWSMANN

Early this year, a struggling soccer team in Portugal's second division unveiled a new player to help in its battle against relegation. He didn't look like anyone's idea of a star signing. Courtney Reum is a middle-aged American venture capitalist whose soccer career peaked a couple of decades earlier, when he played for Columbia in the Ivy League. That didn't prevent Reum from earning a contract with Länk FC Vilaverdense. On Jan. 31, the final day of European soccer's midseason transfer

## Huge Project Hits Wall in Saudi Arabia

Crown prince's plans for 105-mile-long skyscrapers face glitches, soaring costs

By ELIOT BROWN AND RORY JONES

The engineers saw a mountain-sized problem. For weeks, thousands of trucks and diggers had worked 24 hours every day, scooping millions of cubic feet of sand at the world's biggest construction project known as Neom in Saudi Arabia. But the workers had dumped the massive pile of dirt—now hundreds of feet wide—in the very spot where architects planned to dig a waterway out to the Red Sea. So, the trucks and diggers went back to work, picking it all back up and making a new mountain of sand nearby in a costly hiccup that epitomizes the Saudi

project's turbulent journey from an audacious concept to a sprawling operation that has faltered in its execution. Defying skeptics, Saudi Arabia is barreling ahead with hundreds of billions of dollars in projects at Neom, a built-from-scratch region the size of Massachusetts, typified by sci-fi architecture, an arid ski resort and a laundry list of flashy projects meant to attract a population larger than New York City's. None is more brazen than a multitrillion-dollar pair of skyscrapers taller than the Empire State Building designed to run 105 miles long and house nine million people, the flagship development. *Please turn to page A8*



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