



Rescue workers at a residential building hit by a drone strike Monday in Kyiv, Ukraine. At least four people died in drone attacks.

Deadly Message Sent by Drones: It's Russia and Iran vs. the West

By NEIL MACFARQUHAR

The Iranian-made drones that Russia sent on Monday to devastate Ukraine's capital delivered the most emphatic proof yet that Tehran has become a rare, increasingly close ally in the Kremlin, offering both weapons and international support that Russia sorely lacks.

There is no deep love between Russia, newly a parish for attacking another country, and Iran, for decades one of the most strategically isolated nations. But the two authoritarian governments, both chafing under Western sanctions, share a view of the United States as their great enemy and a threat to their grip on power.

"This is a partnership of convenience between two embattled dictatorships," said Karim Sadeghpour, an Iran expert at the Washington-based Carnegie Endowment for International Peace.

Both countries are deep in cri-

Growing Partnership of Two Dictatorships

sis, struggling economically and politically. Iran is attempting to quell street protests that pose the most serious challenge in years to the government, while Russia is trying to manage rising disaffection over a faltering war effort and an unpopular draft.

The emergence of a Moscow-Tehran alliance has multiple international implications, potentially dimming prospects for a new deal to rein in Iran's nuclear program and raising the pressure on Israel, Iran's sworn enemy, to take Ukraine's side in the war.

The relationship between Russia and Iran has been developing for years. President Vladimir V. Putin of Russia deployed his air force to Syria starting in 2015 to

Continued on Page A7

Renewed Attacks Fail to Curb Kyiv's Determination to Go On

By MEGAN SPECIA

KYIV, Ukraine — The Russian missile tipped a gaping hole in a major intersection in central Kyiv. But just a day later, dozens of road workers stood by as they

pushed to patch over the spot. At a playground nearby, where a missile had struck a set of swings, children raced each other up and down the steep sides of the blast crater as they played in the sun.

Russian attacks have convulsed Ukraine's capital recently, with a series of missile strikes last week, and then drones hitting the city on Monday, killing at least four people.

The renewed strikes have certainly brought fear. But they have also intensified a feeling of resilience and defiance, and a sense that Kyiv must keep moving forward. Indeed, when the air raid sirens finally ceased on

Continued on Page A7

Resolve Surpasses Fear in Return of Strikes

Monday morning, many people came out of underground shelters and went to work. "The enemy can attack our cities, but it won't be able to break us," President Volodymyr Zelenskyy said in a statement on Monday.

Even as rescue workers were still picking through the rubble, residents spoke of anger and resolve.

"What comes from this is ushny," said Yulia Oleksandrivna, 86, a retired professor who lives near a residential building that was partially destroyed on Monday.

Continued on Page A7

Right Prepares Activist Army To Watch Vote

Trained to Aggressively
Seek Irregularities

By ALEXANDRA BERZON
and NICK CORASANTINI

On the eve of a primary runoff election in June, a Republican candidate for secretary of state of South Carolina sent out a message to his supporters.

"For all of you on the team tomorrow observing the polls, Good Hunting," Keith Blainford, a candidate who promoted the falsehood that the 2020 election was stolen from Donald J. Trump, wrote on the social media app Telegram. "You know what you are looking for. We have the enemy on their back foot, press the attack."

The next day, activists fanned out to polling places in Charleston, S.C., demanding to inspect election equipment and to take photographs and video. When election workers denied their requests, some returned with police officers to file reports about broken or missing seals on the machines, according to emails from local officials to the state election commission. There were no broken or missing seals.

Mr. Blainford told the activists posted online a list of more than 60 "anomalies" they observed, enough to have changed the outcome of the election, he said. They called the operation a "pilot program."

The episode is one of many that have seeped into the fabric of everyday life. Fourteen percent of voters said political views revealed a lot about whether someone is a good person, while 34 percent said it revealed a little. Nearly one in five said political disagreements have led to relationship problems with friends or family.

"I do agree that the biggest threat is survival of our democracy, but it is the devastation that is creating this split," said Ben Johnson, 33, a filmmaker from New Orleans and a Democrat. "It is a search of evidence that confirms their theories. Many activists have been mobilized by some of the same people who tried to overturn Mr. Trump's 2020 loss. Their tactics in primary elections have officials braced for a range of new challenges, including disruptive poll watchers and

Continued on Page A12

MOST VOTERS SAY U.S. DEMOCRACY IS UNDER THREAT

BUT FEW FEEL URGENCY

Deep Partisan Divide —
Many Express Doubt
in Election Results

This article is by Nick Corasaniti,
Michael C. Bender, Ruth Igielnik
and Kristen Boychuk.

Voters overwhelmingly believe American democracy is under threat, but seen remarkably apathetic about the danger of losing it, according to a new survey by the New York Times/Siena College poll.

In fact, more than a third of independent voters and a smaller but noteworthy contingent of Democrats said they were open to supporting candidates who reject the legitimacy of the 2020 election, as they assigned greater urgency to the state election commission.

The doubts about elections that have infected American politics since the 2020 contest show every sign of persisting well into the future, the poll suggested. Twenty-eight percent of all voters, including 41 percent of Republicans, said they had little to no faith in the accuracy of this year's midterm elections.

Political disagreements appear to be seeping into the fabric of everyday life. Fourteen percent of voters said political views revealed a lot about whether someone is a good person, while 34 percent said it revealed a little. Nearly one in five said political disagreements have led to relationship problems with friends or family.

"I do agree that the biggest threat is survival of our democracy, but it is the devastation that is creating this split," said Ben Johnson, 33, a filmmaker from New Orleans and a Democrat. "It is a search of evidence that confirms their theories. Many activists have been mobilized by some of the same people who tried to overturn Mr. Trump's 2020 loss. Their tactics in primary elections have officials braced for a range of new challenges, including disruptive poll watchers and

Continued on Page A12

What's News

Business & Finance

There is evidence a drastically lower valuation than previously reported in the initial public offering of its 100,000 self-driving-car units, according to people familiar with the matter. In the latest sign of the beleaguered state of the new-issue market, AI

• The Justice Department's last criminal case against former poultry-industry executives accused of price-fixing collapsed, A2

• U.S. stocks surged on a day of outside moves on Wall Street, with the S&P 500 rising 1.6% and Dow gaining 1.6%, A2

• The FTC is investigating whether Visa and Mastercard's security tokens market defies rating competition on online payments, A2

• Trucking pioneer Hertz has agreed to buy the shares of Continental not owned by him and his family for \$4.3 billion and take the oil producer private, B1

• Neugebauer resigned as CEO of Geoply, a startup that sought to build a banking alternative for conservatives, B2

• IP agreed to buy U.S. magazine publisher Archon for \$1.1 billion plus debt in a 30% premium over market value on growing consumer demand for renewable fuel, B2

• The FAA added Boeing to a list of airlines that failed to follow the 737 MAX 8, another setback for the company's plans to approve for the jet before a year-end test flight, B2

• Bank of America's quarterly profit fell 8% as the lender added \$750 million in reserves to cover potential loan losses, B20

World-Wide

• U.K. treasury chief Jeremy Hunt said he was not reversing last week's decision to propose tax cuts and would keep the government's fiscal plan on track, A7

• Russian occupation authorities told Ukrainians that they have until Thursday to choose sides in the escalating struggle for control of the Zaporizhzhia nuclear power plant, A7

• The European Union tried to force the Czech government to shut down a protest against the EU's stance on a decade-old anti-fraud crackdown, A3

• Prosecutors proposed a six-month prison sentence and a \$200,000 fine for a former Russian for defying a subpoena from the House panel investigating the attack on the Capitol, A4

• House Democrats said a long-running probe found that properties controlled by Trump's company charged the Secret Service excessive rates on dozens of government trips, A4

• Many U.S. households are still struggling to find baby formula almost a year since supplies thinned on store shelves and eight months after a nationwide recall, A2

• New England power producers are preparing for potential strain on the power grid as a surge in natural-gas demand ahead of the winter to reduce supplies they need to generate electricity, A3

• The records panel obtained provided new details about an arrangement in which Mr. Trump and his family effectively turned the Secret Service into a captive customer of their business by selling their properties hundreds of times, and then charging the government rates far above its market value, A4

Continued on Page A14

Iranian-Made Drones Launched by Russia Rain Down on Kyiv

U.S. Axes Most of Tax-Cut Program

Markets cheer moves by new treasury chief, though political uncertainty persists

By Mac Ocasio
and Paul Huxley

LONDON — U.S. Treasury Chief Jeremy Hunt said he was reversing nearly all of the government's proposed tax cuts and would push back at energy-price-cut subsidies as he works to reassure markets about the stability of the nation's finances.

The moves on Monday spread a broad rally in the pound, stocks and government bonds, but they led to growing uneasiness about whether Prime Minister Liz Truss would be able to survive in government for much longer after her right-leaning economic policy caused chaos on markets and has now been reversed.

Mr. Hunt, who took over on Friday after Mr. Truss fired his predecessor, Kwarteng, has acted quickly in his first days on the job to try to quell damage to Britain's reputation among investors by taking steps to shore up public finances after weeks of turmoil on U.S. financial markets.

From the sky, a drone approaches for an attack in Kyiv on Monday, as Russia launched a fresh wave of the Iranian-made devices to strike the Ukrainian capital. Russian forces have increasingly turned to targeting civilian infrastructure, A7

Small-Caps, Fueled by Dollar, Are Set to Outpace Large-Caps

How many U.S. dollars it buys

Small-cap stocks are bouncing back. A strong U.S. dollar is boosting their rise.

After suffering falling losses earlier this year, shares of many small, domestic-focused companies are outpacing the large-capitalization stocks that dominate the U.S. equity market.

In October, the S&P 500 small-cap index rose 5.7% to its highest level since 2017, while the large-cap S&P 500 index rose 2.6%.

Small-cap stocks are also outpacing the large-cap S&P 500 index, which has gained 9.7% this month, while the S&P 500 has risen 1.6%.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

Investors have been looking for a market recovery since the Fed's rate hikes in the last few months, but the market has been volatile.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

Investors have been looking for a market recovery since the Fed's rate hikes in the last few months, but the market has been volatile.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

Investors have been looking for a market recovery since the Fed's rate hikes in the last few months, but the market has been volatile.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

Investors have been looking for a market recovery since the Fed's rate hikes in the last few months, but the market has been volatile.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

Investors have been looking for a market recovery since the Fed's rate hikes in the last few months, but the market has been volatile.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

Investors have been looking for a market recovery since the Fed's rate hikes in the last few months, but the market has been volatile.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

Investors have been looking for a market recovery since the Fed's rate hikes in the last few months, but the market has been volatile.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

Investors have been looking for a market recovery since the Fed's rate hikes in the last few months, but the market has been volatile.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

Investors have been looking for a market recovery since the Fed's rate hikes in the last few months, but the market has been volatile.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

Investors have been looking for a market recovery since the Fed's rate hikes in the last few months, but the market has been volatile.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

Investors have been looking for a market recovery since the Fed's rate hikes in the last few months, but the market has been volatile.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

Investors have been looking for a market recovery since the Fed's rate hikes in the last few months, but the market has been volatile.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

Investors have been looking for a market recovery since the Fed's rate hikes in the last few months, but the market has been volatile.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

Investors have been looking for a market recovery since the Fed's rate hikes in the last few months, but the market has been volatile.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

Investors have been looking for a market recovery since the Fed's rate hikes in the last few months, but the market has been volatile.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

Investors have been looking for a market recovery since the Fed's rate hikes in the last few months, but the market has been volatile.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

Investors have been looking for a market recovery since the Fed's rate hikes in the last few months, but the market has been volatile.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

Investors have been looking for a market recovery since the Fed's rate hikes in the last few months, but the market has been volatile.

Small companies are more insulated from adverse foreign-exchange effects because they derive more of their business outside the U.S., compared with the S&P 500, which has a 40% foreign exposure, according to FactSet.

"The U.S. economy is pretty much the strongest it's been in the world these days," said Thomas Martin, senior portfolio manager at Global Alternatives.

"The largest companies in the U.S. are warning of a recession in the next 12 to 18 months," he said.

U.K. Axes Most of Tax-Cut Program

Markets cheer moves by new treasury chief, though political uncertainty persists

By Mac Ocasio
and Paul Huxley

LONDON — U.S. Treasury Chief Jeremy Hunt said he was reversing nearly all of the government's proposed tax cuts and would push back at energy-price-cut subsidies as he works to reassure markets about the stability of the nation's finances.

The moves on Monday spread a broad rally in the pound, stocks and government bonds, but they led to growing uneasiness about whether Prime Minister Liz Truss would be able to survive in government for much longer after her right-leaning economic policy caused chaos on markets and has now been reversed.

Mr. Hunt, who took over on Friday after Mr. Truss fired his predecessor, Kwarteng, has acted quickly in his first days on the job to try to quell damage to Britain's reputation among investors by taking steps to shore up public finances after weeks of turmoil on U.S. financial markets.

From the sky, a drone approaches for an attack in Kyiv on Monday, as Russia launched a fresh wave of the Iranian-made devices to strike the Ukrainian capital. Russian forces have increasingly turned to targeting civilian infrastructure, A7

Small-Caps, Fueled by Dollar, Are Set to Outpace Large-Caps

How many U.S. dollars it buys

Small-cap stocks are bouncing back. A strong U.S. dollar is boosting their rise.

After suffering falling losses earlier this year, shares of many small, domestic-focused companies are outpacing the large-capitalization stocks that dominate the U.S. equity market.

In October, the S&P 500 small-cap index rose 5.7% to its highest level since 2017, while the large-cap S&P 500 index rose 2.6%.</