

## What's News

### Business & Finance

- ◆ **Coinbase** said it was bleeding users, reflecting continued destruction in the cryptocurrency market and investors' unease about risky assets. **A1**
- ◆ **Peloton** recorded its biggest quarterly loss as a public company and said it raised \$750 million to help sustain the business. **A1**
- ◆ **The Dow** reversed early gains to close down 0.3% at a 52-week low, while the S&P 500 and Nasdaq rose 0.3% and 1%, respectively. **B13**
- ◆ **The Senate** voted to confirm Lisa Cook to the Fed, making her the first Black woman to sit on the central bank's board. **A2**
- ◆ **Prologis** said it offered to buy Duke Realty in a nearly \$24 billion deal, a vote of confidence in the e-commerce business. **B1**
- ◆ **Carvana** plans to lay off 12% of its workforce after closing a deal that forced the online car dealer to borrow on onerous terms. **B1**
- ◆ **Pfizer** agreed to buy the rest of Biohaven for about \$11.6 billion, deploying cash from Covid-19 sales to acquire a new migraine drug. **B1**
- ◆ **Apple** said it would discontinue its iPod Touch, a device that vastly expanded the company's reach in the music industry. **B1**
- ◆ **Sony** and Nintendo said their flagship videogame machines are likely to be in short supply all year. **B4**
- ◆ **Car sales** in China declined 36% in April from a year earlier, undermined by Covid-19 lockdowns. **B1**

### World-Wide

- ◆ **U.S. spy chief** Haines said Putin still seeks to control swaths of Ukraine beyond the Donbas region, after local authorities said Russian missiles struck the port city of Odessa overnight, killing one person and wounding others. **A1, A7-9**
- ◆ **U.S. health authorities** and researchers are investigating why some people who appeared to recover from Covid-19 after taking Pfizer's antiviral pill developed symptoms again soon after. **A3**
- ◆ **Elon Musk** declared he would reverse Twitter's ban on Trump, saying permanent bans undermine trust in the platform. **A4**
- ◆ **A Trump-backed** House candidate won in West Virginia's GOP primary, while Nebraska governor hopeful Charles Herbster lost despite support from the former president. **A4**
- ◆ **Sen. Bob Casey** of Pennsylvania, a self-described pro-life Democrat, said he would back his party's bill to codify access to abortion. **A4**
- ◆ **The technology industry** is warning that the remote-work trend will lead to more offshoring of tech jobs unless the U.S. admits more high-skilled immigrants. **A3**
- ◆ **Ferdinand Marcos Jr.** cruised to a historic victory in the Philippines' presidential election, winning more than twice as many votes as his closest competitor. **A18**
- ◆ **The U.S. firearm** homicide rate in 2020 was its highest level since 1994, according to a CDC report. **A6**

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## Prince Charles Fills In for Ailing Queen to Open Parliament



**DYNASTY:** Prince Charles watched as Queen Elizabeth II's crown was placed on a table for the state opening of Parliament on Tuesday in London. The 96-year-old queen, who has mobility issues, has turned over more responsibilities to her eldest son. **A18**

## Nearly Encircled Stronghold Hangs On in Eastern Ukraine

By Yaroslav Trofimov

SEVERODONETSK, Ukraine—The 26 people who live with four dogs and a cat in the basement of a funeral parlor in Severodonetsk, hiding from battles between Russian and Ukrainian forces that rage nearby, haven't had news about the war for over a week. That's how long has passed since mobile-phone coverage disappeared in Severodonetsk and the rest of the Ukrainian-administered part of the Lu-

hansk region. By then, electricity and water supplies were already gone. Groceries and all other shops had closed more than two months earlier, when rapidly advancing Russian troops were halted at Severodonetsk and cities abutting it. "We don't know anything about what has happened to our own relatives in the same city, let alone the news in the world. Nobody leaves this place, we just wake up all together and fall asleep all together. Nobody goes anywhere

because it's too scary outside," said one woman—an electricity utility worker before the war—who shared a mat in the Pantheon funeral parlor's basement with her husband and son. "The only news we want is for the war to end so we could finally go back to our homes," said Natasha Lashko, who has remained to run the shelter and the funeral business after the owner relocated to the relative safety of western Ukraine. As she spoke, mortars

whistled above, fired from Russian positions just over a mile away. Walls shook. After withdrawing from the northern Ukrainian regions of Kyiv, Chernihiv and Sumy in late March, Russia has refocused its military campaign on

- ◆ Putin is gearing up for a long battle, U.S. says..... **A7**
- ◆ House to vote on aid package, but no deal in Senate..... **A7**
- ◆ High energy prices squeeze Europe..... **A9**

## Crypto's Decline Deepens In Jittery Market

Coinbase Global posts a big drop in users as investors rein in their appetite for risk

By Corrie Dreibusch and Harika Singh

The biggest cryptocurrency exchange in the U.S. said Tuesday it is bleeding users, reflecting continued destruction in the crypto market and investors' unease about risky assets. Coinbase Global Inc. said it lost hundreds of millions of dollars in the first quarter, sending the stock falling in after-hours trading. Following the aftermarket report, shares traded around \$61 late Tuesday afternoon, a far cry from the \$381 where the stock opened trading when it went public a little over a year ago. "Nasdaq is down, bitcoin is down. And that has led to less and less dollars being put into crypto," said Alesia Haas, Coinbase's chief financial officer. Ms. Haas said that even though trading volumes were lower than expected, she believes Coinbase is in a strong position going forward as it invests in its future, including diversifying into other products such as nonfungible tokens, or NFTs. Investors increasingly think financial markets are at a turning point, and as a result

- ◆ Yellen presses for stablecoin regulation..... **A2**
- ◆ S&P and Nasdaq gain, but blue chips drop..... **B13**

## Peloton Loss Is Biggest Since IPO

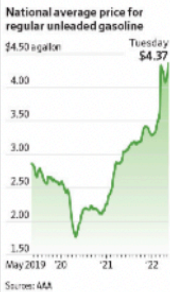
By Sharon Terlep

Peloton Interactive Inc. recorded its biggest quarterly loss as a public company and said it raised \$750 million to help sustain the business amid mounting losses and weaker demand for its pandemic-popular bikes and treadmills. Chief Executive Barry McCarthy, who took over in February, said Tuesday the cash infusion was needed because the company was thinly capitalized and loaded with costly backlogs of unsold bikes and treadmills.

The woes show the stark turn of fortunes for the once-hot maker of connected-fitness equipment, which like other pandemic winners are grappling with reduced interest in their products as U.S. consumers revert to prepandemic behavior. Also on Tuesday, Carvana Inc. said it plans to lay off 12% of its workforce and the company's chief executive said the online car seller had overshot its growth strategy. Peloton shares on Tuesday fell 9% to \$12.90, the lowest since the company's 2019 market debut. The stock price is down 64% for the year and 92% from the pandemic high of \$171.09. Investor sentiment on the once-hifalyping company, like other pandemic winners such as Netflix Inc. and Wayfair Inc. has soured. At Peloton, investors' questions have shifted from how the company could transform fitness to whether it has enough cash to fund its restructuring efforts. Peloton, which was valued at more than \$50 billion at its peak early last year, is now valued at less than \$4 billion.

## Gasoline Prices Hit a Record

The average price for a gallon of regular unleaded gas climbed to \$4.37 Tuesday. **A2**



## 'Buy the Dip' Believers Tested by Market's Slide

Small investors continue to pour money into stocks despite grim outlook

By GUYAN BARRER AND CAITLYN MCCABE

This year's stock market volatility has turbocharged a favorite strategy among individual investors: buying the dip. The dramatic plunge in major indexes will test their resolve. On Thursday, when the stock market had one of its worst days of the year, individuals rushed in, setting a one-day buying record. In March, they invested the largest ever monthly sum, according to Vanda Research data beginning in 2014, and continued to pour money into the markets in April. Investors followed suit on Tuesday in a volatile session, a day after the S&P 500 fell to its lowest level this year. The broad stock-market gauge swung before edging up 0.2%, snapping a three-session losing streak. Individuals' willingness to backstop markets

throughout this year's selloff demonstrates that the group—for now—has been more resilient than analysts and trading professionals anticipated. Few were surprised when individual investors pounced on small dips as the market churned higher last year, helping the S&P 500 cruise to 70 records and rewarding those who waded in. This year, the S&P 500 has fallen 16%, its worst start to a year in nearly a century, and the Nasdaq Composite has dropped 25%. Inflation is at a 40-year high, and the Federal Reserve has embarked on an aggressive monetary tightening cycle, enacting this month its biggest rate increase since 2000. That has fanned worries about a recession—periods when stocks have on average fallen as much as 29%, according to Dow Jones Market Data.

## Eurovision Fans Love Ukraine, (The Song, Not So Much)

Ukrainian folk-rap tune is favored to win the music contest; gets mixed reviews

By GARETH VIVIPES

Ukraine has a rich history of sending offbeat entries to the Eurovision Song Contest. "In 2007, we saw a drag queen wrapped in tin foil speaking some nonsensical language they claimed was Moldovan," said William Lee Adams, the editor of *Wikipedia*, one of the biggest sites dedicated to Eurovision. This year, wartime good-

The European song contest typically draws more than 180 million viewers from around the world, according to con-

test organizers the European Broadcasting Union. Ukraine's Kalush Orchestra, a previously little known hip-hop group, is now the bookies' pick to take the 2022 trophy. The group's entry, a folk rap song called "Stefania," sung by a frontman in a pink felt bucket cap, pays tribute to a mother's love and has become something of an anthem for Ukrainian resistance. Its lyrics career from the general, "The field is blooming, but her hair is getting gray," to the melancholy, "I'll always find my home, even if all the roads are destroyed."

Every one is rooting for the song, despite mixed reviews. Even critics are treating

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