

What's News

Business & Finance

U.S. inflation edged down to an 8.3% annual rate in April but remained close to the fastest pace in four decades as the economy continued to face upward price pressures. **A1, A2**

◆ **Major U.S. stock indexes** fell after the April inflation data were released, with the S&P 500, Nasdaq and Dow losing 1.6%, 3.2% and 1%, respectively. **A1**

◆ **Disney reported better-than-expected quarterly** subscription numbers for its Disney+ streaming service, avoiding a slowdown that dogged Netflix. **A1**

◆ **A selloff in stablecoin** TerraUSD accelerated, briefly sending the cryptocurrency's price to less than a quarter of its \$1 peg. **B1**

◆ **Instacart filed confidentially** to go public, a long-awaited move that comes after the company recently cut its valuation by 40%. **B1**

◆ **The SEC is investigating** Musk's late disclosure last month of his sizable stake in Twitter, according to people familiar with the matter. **B1**

◆ **China's consumer inflation** edged up in April and factory-gate price pressures remained elevated, lifted by effects of Covid-19 lockdowns and the war in Ukraine. **A9**

◆ **Duke Realty rejected** a nearly \$24 billion buyout offer from warehousing giant Prologis, calling the unsolicited offer insufficient. **B1**

◆ **Moderna said its newly** hired finance chief left the company, citing an internal investigation by Dentsply, his previous employer. **B1**

World-Wide

◆ **A Russian soldier in** Ukrainian custody will be the first to stand trial on war crimes charges, Ukraine's prosecutor-general said, after an investigation alleged he fatally shot at an unarmed 62-year-old man near his home in northeastern Ukraine. **A7, A8**

◆ **Senate Democrats failed** to advance a bill seeking to ensure women's access to abortion, in a vote designed to draw a clear contrast with Republicans ahead of a potential Supreme Court decision overturning Roe v. Wade looming just months before the midterm elections. **A4**

◆ **Relatives of victims** of the 2021 condo tower collapse in Surfside, Fla., reached a proposed \$907 million settlement to resolve wrongful death claims against defendants sued over the building's failure. **A3**

◆ **Federal revenue** almost doubled in April compared with a year earlier, reaching a record and driving a monthly government surplus of \$308 billion, also a record. **A4**

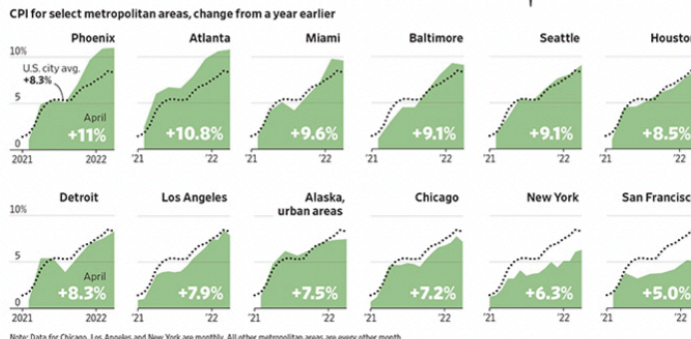
◆ **North Korea, which** hasn't administered a Covid-19 vaccine, imposed a lockdown in all its major cities after reporting its first local case. **A9**

◆ **The Senate narrowly** confirmed law professor Alvaro Bedoya to the FTC, giving Democrats a 3-2 majority at the commission. **A4**

◆ **A Florida judge blocked** a congressional map approved by Republican Gov. DeSantis because it broke up a majority Black district in the northern part of the state. **A4**

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Inflation Pressure Continues, Despite Slight Slip

Drop to 8.3% is the first in 8 months; still, there's little evidence showing that prices are cooling

By GWYNN GUILFORD

U.S. inflation edged down to an 8.3% annual rate in April but remained close to the fastest pace in four decades as the economy continued to face upward price pressures.

The Labor Department's consumer-price index reading last month marked the first drop for inflation in eight months, down from an 8.5% annual rate in March. The decline came primarily from a slight easing in April gasoline prices, which have since reached a new high. Broadly, the report offered little evidence that inflation was cooling.

Prices rose for groceries as well as dining out, airline travel and other services that consumers are turning to as they shift from spending heavily on goods from earlier in the pandemic. Airline fares surged 18.6% in April from a month earlier, the fastest rise since turn to page A2

Fresh Worries About Fed Send Stocks Lower

By MATT GROSSMAN AND JOE WALLACE

Stocks fell Wednesday after fresh data showed that inflation—though slightly down—remained higher than expected last month, feeding renewed apprehension about the Federal Reserve's likely response and extending a punishing stretch for equities.

The Dow Jones Industrial Average fell for a fifth day in a row, the Nasdaq Composite lost 3.2%, and bitcoin fell 8.5%.

Markets entered 2022 on a multiyear winning streak, but persistent inflation and the prospect of a sustained cycle of interest-rate increases have rattled what was strong investor sentiment.

The S&P 500 closed 65.87 points, or 1.6%, to close at 3935.18. The technology-focused Nasdaq was down 373.44 to 11364.24, its lowest close since November 2020. The Dow fell 326.63, or 1%, to 31834.11, marking its largest five-day percentage decline

nearly two years. The day offered no relief for anxious stock investors, who have been bracing for the Fed to remove more of its economic support. The S&P 500 turned lower in the afternoon after spending much of the morning in the green, and its losses deepened as the closing bell neared. There is a long way to go before rising prices come back under control, investors and analysts warned, giving rise to volatility as financial conditions continue to tighten.

"The Band-Aid is still coming off slowly," said Michael Farr, chief executive of investment-advisory firm Farr, Miller & Washington. "According to the Fed, we're not near the end of this process that everyone wants over."

The consumer-price index increased 8.3% in April from the same month a year ago, data released on Wednesday showed, decelerating from an 8.5% annual rate in March but above the 8.1% expected by economists. Lower annual in-

flation last month marks the first monthly easing of price increases since August 2021.

Volatile markets have been primed to react strongly to any headline hinting at persistent price pressures, said David Kotok, chief investment of

- ◆ Price report cinches Fed's rate path..... A2
- ◆ Cryptocurrency TerraUSD cratered..... B1
- ◆ Rise in CPI derails Treasury bond rally..... B11

INSIDE



UKRAINE CRISIS
 After Russia retreats, Ukrainians return home to villages of ruins. **A8**



BUSINESS & FINANCE
 Elon Musk is under investigation for late disclosure of his stake in Twitter. **B1**

It's Just Another Manic...Wednesday?!

When employees can pick which days to go in, middle one is the top choice

By PETER GRANT

The pandemic has turned a lot of things upside down. That includes the week. For years, Mondays sort of haunted the weekend, a looming day when the fun would be over and it was time to get serious again.

But as employers start asking their work-from-home people to come in part of the time, a different day is taking center stage: It's Wednesday. At lunchtime on a recent Wednesday in Midtown Manhattan—a place that still bears

plenty of pandemic vacancy—most tables were full at Oceana, Del Frisco's, Bouchee, Bobby Van's Steakhouse and other fancy eateries. Groups who showed up at the Mediterranean restaurant Limani had to wait. "From now on they should make reservations," advised George Saltes, Limani's manager. Commuter rail lines in cities like Boston and San Francisco found Wednesday typically the busiest weekday in April. The same is true of hotel occupancy. **Please turn to page A10**

Disney+ Bucks Trend With Hefty Gains in Subscribers

By ROBBIE WHELAN

Walt Disney Co. reported better-than-expected subscription numbers for its Disney+ streaming service in the most recent quarter, avoiding a slowdown that dogged streaming rival Netflix Inc.

In the company's fiscal second quarter earnings report, Disney reported 79 million new Disney+ subscribers to reach 137 million subscribers, up from 129.8 million in the prior quarter. Analysts polled by

FactSet had expected the company to add 5.2 million net new subscribers to the platform, bringing the total to about 135 million.

Chief Executive Bob Chapek reaffirmed Disney's targets of signing up between 230 million and 260 million subscribers to Disney+ and having the streaming video-on-demand business achieve profitability by September 2024, saying both goals were "very achievable."

Mr. Chapek said the company has not yet tapped into

wide swaths of potential new subscribers and pointed to the company's slate of new TV and film offerings this year as the main driver of new paying customers.

Shares of Disney fell 3% in extended-hours trading after initially rising on the earnings news. Before the results, the stock closed at \$105.21, down 2.3% during the regular session.

The world's largest entertainment company posted earnings of \$470 million, or 26 cents per share. **Please turn to page A6**

China's No. 2 Emerges From Shadow of Xi

Premier Li Keqiang presses president to dial back policies contributing to slowdown

By LINGLING WEI

For years, President Xi Jinping has sidelined China's second most powerful political figure, Premier Li Keqiang. Now, Mr. Li is re-emerging as a force in his own right, a potential counterbalance atop the Chinese government that hasn't been seen for nearly a decade.

With China mired in its worst economic funk in recent memory, Mr. Li is helping press China's authoritarian leader to dial back some measures that steered the country away from Western-style capitalism and contributed to China's economic

slowdown, according to government officials and advisers close to decision-making.

Under Mr. Li's influence, those people said, Beijing recently eased a regulatory crackdown on private technology firms, loosened lending to property developers and home buyers, and acted to help some manufacturers resume production when much of China has been forced into lockdowns by Mr. Xi's zero-Covid approach.

Mr. Li, 66 years old, is also trying to influence the **Please turn to page A10**

THE FUTURE OF EVERYTHING

RINGING IN THE NEW NORMAL R1-10