

# THE WALL STREET JOURNAL.

DOW JONES | News Corp \*\*\*\*\*

THURSDAY, MAY 22, 2025 ~ VOL. CCLXXXV NO. 119

WSJ.com

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DJIA 41860.44 ▼ 816.80 1.91% NASDAQ 18872.64 ▼ 1.4% STOXX 600 553.82 ▼ 0.04% 10-YR. TREAS. ▼ 29/32, yield 4.595% OIL \$61.57 ▼ \$0.46 GOLD \$3,309.30 ▲ \$29.00 EURO \$1.1331 YEN 143.68

## What's News

### Business & Finance

◆ **Jony Ive**, a chief architect of the iPhone, and his design firm are assuming creative and design control at OpenAI, where they will develop consumer devices and other projects that will shape the future look and feel of AI. **A1**

◆ **A weak auction** for 20-year bonds exacerbated worries about rising deficits and drove sharp declines in stocks and bonds, sending the S&P 500 down 1.6% and the 30-year Treasury yield to its highest level since 2023. The Dow and Nasdaq fell 1.9% and 1.4%, respectively. **A1**

◆ **Comcast's NBCUniversal** made an offer to Major League Baseball to take over the package of regular-season and postseason games which ESPN is dropping. **B2**

◆ **Trump said** he is giving "very serious consideration" to taking mortgage giants Fannie Mae and Freddie Mac public after nearly two decades under government control. **A2**

◆ **Target said sales** in the three months ended May 3 fell 3.8%, depressed in part by a boycott by shoppers opposed to its decision to end some diversity programs. **B1**

◆ **Walmart plans to cut** around 1,500 jobs in a restructuring aimed at trimming its expenses and speeding up decision-making. **B3**

◆ **The SEC sued Unicorn**, alleging that the crypto startup and its executives misled investors while raising more than \$100 million to launch a digital token. **B6**

### World-Wide

◆ **The Defense Department** said it formally accepted a donated \$400 million luxury airliner from Qatar that Trump has said will serve as Air Force One. **A1**

◆ **House Republicans** were finalizing a series of last-minute changes to their sprawling tax-and-spending bill, searching for a path that would unite the party's warring wings headed into a nail-biter floor vote. **A1**

◆ **Two Israeli Embassy** staff members were shot and killed near a Jewish museum in Washington, Homeland Security Secretary Noem said. **A7**

◆ **Pro-Palestinian protesters** attempting to disrupt Columbia's commencement skirmished with police as they tried to march toward the university's main gates. **A2**

◆ **A federal judge said** the Trump administration violated a court order in deporting at least seven men to South Sudan on just hours notice earlier this week. **A5**

◆ **The Trump administration** moved to drop Biden-era lawsuits alleging unconstitutional policing in Minneapolis and Louisville, Ky. **A5**

◆ **Health Secretary Robert F. Kennedy Jr.'s** "Make America Healthy Again" report is expected to criticize food additives, lobbyists and vaccines, but go easier than expected on pesticides in farming. **A4**

◆ **Died: Gerry Connolly**, 75, Democratic congressman. **A4**. ... **Jim Irsay**, 65, owner of the Indianapolis Colts. **A6**

## JOURNAL REPORT

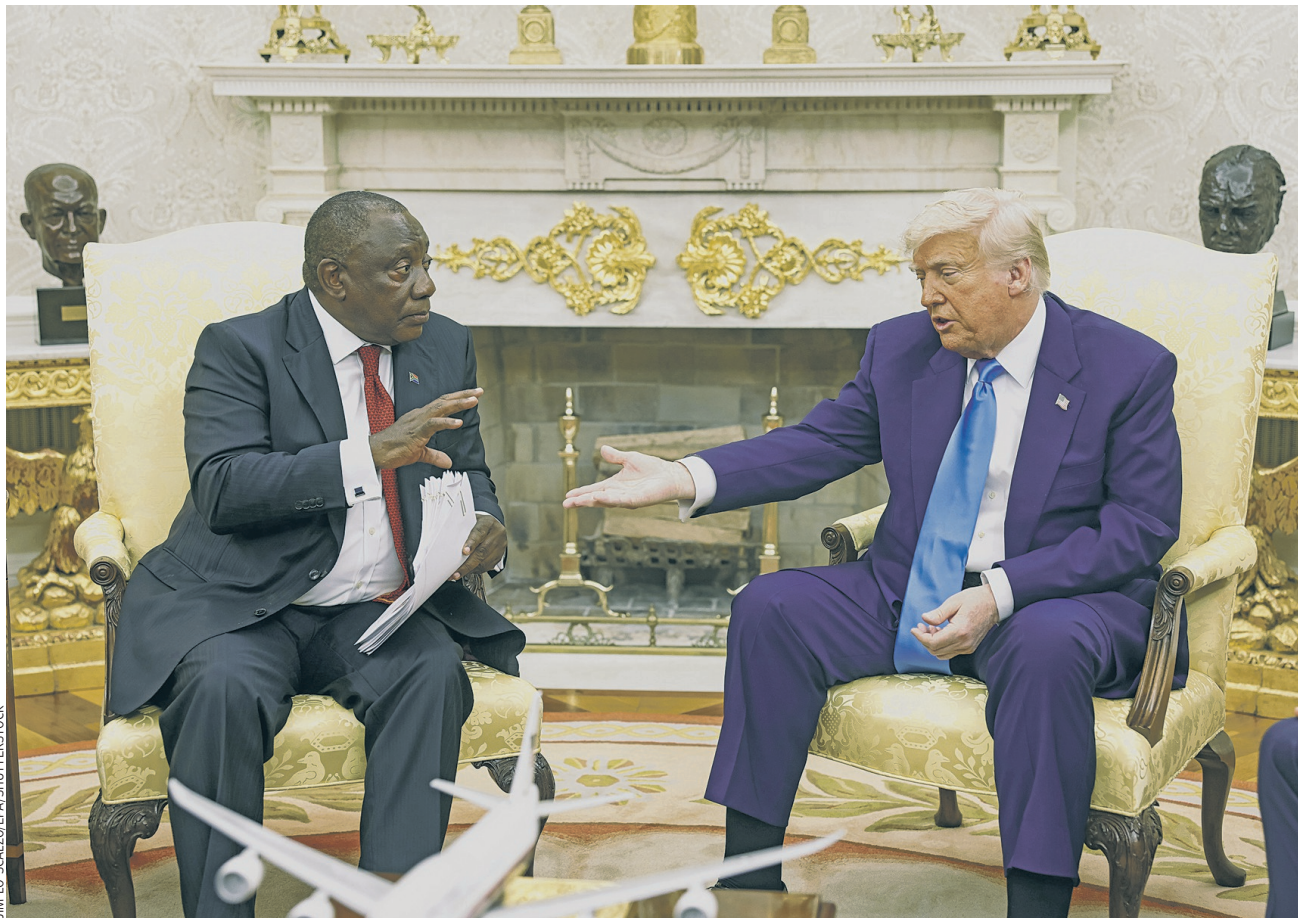
### Customer Experience: My favorite shopping companion is AI. **R1-8**

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## Trump, South Africa's Leader Clash in Oval Office



**TESTY EXCHANGE:** President Cyril Ramaphosa pushed back on President Trump's unsubstantiated claims—repeated in front of television cameras at the White House on Wednesday—that white South African farmers are facing 'genocide.' **A7**

## Former Apple Design Guru Set To Take Broad Role at OpenAI

Partnership with Ive could herald a new era of AI-powered consumer technology

By KEACH HAGEY AND BERBER JIN

Jony Ive, a chief architect of the iPhone, and his design firm are taking over creative and design control at OpenAI, where they will develop consumer devices and other projects that will shape the future look and feel of AI.

OpenAI Chief Executive Officer Sam Altman and Ive's design firm, LoveFrom, have been working on a new device that will move consumers beyond screens, according to people familiar with the matter. They have been collaborating for two years on a closely guarded project, considering options including headphones and other devices with cameras, the people said.

The partnership between Ive, a visionary designer, and OpenAI, which has transformed how consumers seek information, could herald a

new era of AI-powered consumer technology. It puts a seasoned designer at the creative helm of a fast-growing startup that aims to one day have a hand in everything from devices to AI-powered robots, AI models with humanlike intelligence and a global network of data centers.

The former Apple employee's work at OpenAI will extend across all the company's ventures, from future versions of ChatGPT to audio features, its app and other products, according to people familiar with the matter.

London-born Ive left Apple in 2019 to found LoveFrom, a design firm that has worked for Ferrari, Airbnb and the luxury Italian fashion firm Moncler. Ive also leads io, a company founded last year to design and develop a new family of AI-powered products.

As part of an unusual deal announced Wednesday, OpenAI will also acquire io in an all-equity deal that values it at \$6.5 billion. OpenAI acquired a 23% stake in io.

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◆ **Heard on the Street: Google** needs to convince on AI... **B11**

## Pentagon Accepts Qatari Jet President Solicited

Donation of plane as Air Force One has raised security and ethics questions

The Pentagon said Wednesday that it had formally accepted a donated \$400 million luxury airliner from Qatar that President Trump has said will serve as Air Force One.

By Nancy A. Youssef, Lindsay Wise and Andrew Tangel

The Air Force said that it was preparing to award a contract to modify the jet so that it can serve as the official presidential aircraft. It didn't provide further details about the plans, saying information related to the aircraft was classified.

"The Department of Defense will work to ensure proper security measures and functional-mission requirements are considered for an aircraft used to transport" the president, Pentagon spokesman Sean Parnell said in a statement. White House officials said they hope the luxuriously outfitted Boeing 747-8 jet, offered to Trump by Qatar as a gift, will be ready to serve as Air Force One as soon as the end of the year.

The decision to accept a donated commercial aircraft has raised security and ethics questions since Trump disclosed the offer last week. The administration has said the plane would go to the Trump presidential library at the end of his term.

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◆ **Trump's private clubs see** a financial windfall..... **A6**

## Two CEOs Mixed Romance, Business, Leading to Scandal

Kohl's fired chief who didn't disclose his yearslong relationship with supplier

By SARAH NASSAUER AND SUZANNE KAPNER

The Vaquero Club is tucked away behind stone walls in a wealthy suburb of Dallas. The gates protect a swanky neighborhood of Texas-size mansions, a pristine golf course and a lake stocked with bass.

Residents pay for seclusion and privacy, but it's one of those gated communities where secrets are hard to keep.

On a recent Friday evening, Ashley Buchanan and Chandra Holt headed to the Vaquero clubhouse for dinner, as they often do. Buchanan, 51, in a white polo shirt, and Holt, in a shaggy cream vest, sipped cocktails at the bar, according to a person who saw them. It was her 45th birthday. The pair showed no signs of having been engulfed in a corporate scandal that got Buchanan fired as CEO of

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## Bond Yield Tops 5%, Highest Since 2023, Jolting Stocks

By GUNJAN BANERJI AND SAM GOLDFARB

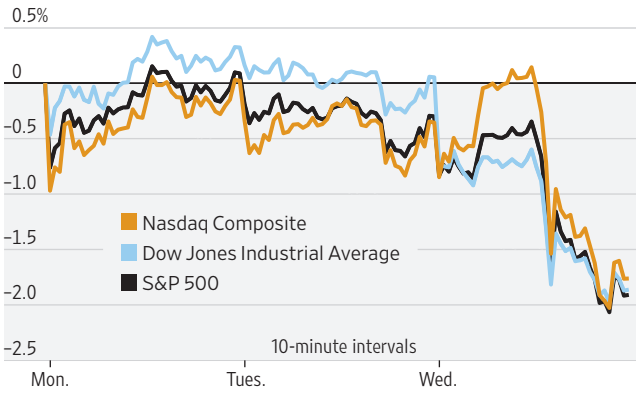
Trouble has been stirring in the bond market for weeks. On Wednesday, the anxiety spread to the stock market.

A weak auction for 20-year bonds exacerbated worries about rising deficits in Washington and drove sharp declines for stocks and bonds, sending the Dow Jones Industrial Average down more than 800 points and the 30-year Treasury bond yield to the highest level since 2023.

Many investors have grown increasingly concerned about the Treasury issuance that could follow President Trump's multitrillion-dollar fiscal package.

On Friday, Moody's Rat-

Index performance, past three sessions



Source: FactSet

ings stripped U.S. debt of its triple-A rating, citing the government's towering pile of debt and kicking off selling in Treasuries.

Higher government deficits mean potentially elevated government-bond issuance to fund the gap between spending and

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## INSIDE



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Americans, uneasy about the economy, scale back vacation plans. **A12**

**BUSINESS & FINANCE**  
Streamers are finally making money, but navigating it all gets messy for viewers. **B1**

## To Gen Z, Everything Is a Recession Indicator

Offbeat economic gauges aren't new, but zoomers take them to the next level

By HANNAH ERIN LANG

At first, it was higher egg prices, declining demand for cardboard boxes and empty dance floors. Now, it's low-rise jeans, flash mobs—even Lady Gaga's return to pop music.

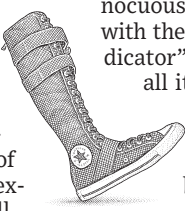
The TikTok generation's search for signs of economic strain has expanded to include, well, just about everything.

To the extremely online, the portents of doom also include serif fonts, press-on nails, knee-high Converse sneakers,

Lena Dunham's latest public departure from New York and Gwyneth Paltrow's decision to start eating cheese again. Responding to a seemingly innocuous social-media post with the phrase "recession indicator" has become a meme all its own.

Sometimes, the posts actually point to potentially troubling signs, like a recent partnership between DoorDash and Klarna that allows users to pay for meal deliveries in installments. More often, they

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