

# THE WALL STREET JOURNAL.

DOW JONES | News Corp \*\*\*\*\* TUESDAY, JULY 1, 2025 ~ VOL. CCLXXXVI NO. 1 WSJ.com ★★★★★ \$5.00

DJIA 44094.77 ▲ 275.50 0.63% NASDAQ 20369.73 ▲ 0.5% STOXX 600 541.37 ▼ 0.4% 10-YR. TREAS. ▲ 14/32, yield 4.227% OIL \$65.11 ▼ \$0.41 GOLD \$3,294.40 ▲ \$20.70 EURO \$1.1790 YEN 144.04

## What's News

### Business & Finance

◆ **U.S. markets ended** a tumultuous quarter, with stocks at records after recovering from an April swoon and some strategists predicting more gains for broad indexes. On Monday, the S&P 500 and Nasdaq both rose 0.5% and the Dow gained 0.6%. **A1**

◆ **Business activity in the** Chicago area contracted again in June amid weaker production and employment and as prices climbed further. **A2**

◆ **Robinhood Markets** made a significant push into crypto, announcing new services designed to make its app a central hub for digital assets. **B1**

◆ **Zuckerberg announced** a new "Superintelligence" division within Meta Platforms, officially organizing an effort that has been the subject of an intense recruiting blitz. **B1**

◆ **Apple said it would** delay offering some planned new features to users in the EU because regulations are making it harder to bring them to market in the region. **B4**

◆ **Moderna's shares** rallied after the biotechnology company's messenger RNA flu vaccine candidate showed positive results in a late-stage trial. **B3**

◆ **U.K. antitrust officials** opened the first phase of a formal investigation into Boeing's deal to acquire Spirit AeroSystems. **B3**

◆ **Home Depot will buy** building-products distributor GMS for about \$4.3 billion, winning a bidding war with roofing-products distributor QXO. **B3**

◆ **Stanley Black & Decker** named Christopher Nelson to succeed Donald Allan Jr. as president and chief executive effective Oct. 1. **B3**

### World-Wide

◆ **Russia is pressing its** manpower advantage at more places along the front in its war on Ukraine and has troops just 12 miles from Sumy, a regional capital in northern Ukraine. **A1**

◆ **Voting on amendments** and procedural motions to Trump's tax-and-spending bill dragged through Monday as GOP leaders worked to find a balance of policies that could pass the Senate and later the House. **A4**

◆ **The man charged** with killing four University of Idaho students in 2022 is expected to plead guilty in an agreement that would spare him the death penalty. **A3**

◆ **Trump removed** economic sanctions on Syria, seeking to bolster the fledgling government in Damascus as it considers an end to hostilities with Israel. **A6**

◆ **Trump signed** a memorandum to restore hard-line U.S. policy toward Cuba, reversing the Biden administration's efforts to ease some restrictions on the island. **A5**

◆ **The Trump administration** weighed cutting off funds to hospitals that it says provide gender-related treatments for children and teenagers, a move that would escalate official scrutiny of such programs. **A2**

◆ **The Trump administration** sued Los Angeles over its sanctuary-city policies in connection with the federal government's immigration-enforcement efforts. **A3**

◆ **The man accused of** attacking a Jewish group in Boulder, Colo., was charged with murder after a victim died of her injuries. **A5**

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## West Bank Settlers Attack Village, Israeli Forces



**BURNED OUT:** A European Union delegation was shown the site where Israeli settlers attacked Palestinians in the West Bank last week. Settlers clashed with Israel's troops after the military took measures to prevent assaults on Palestinians. **A6**

## Russia Presses Its Advantage In Troop Size as Front Expands

By IAN LOVETT AND NIKITA NIKOLAIENKO

SUMY, Ukraine—Russian forces are just 12 miles from this northern Ukrainian regional capital, a new target for Moscow, as the Kremlin presses its advantage in troop size at a growing number of places along the front.

Having almost entirely ejected Ukrainian forces from

the Russian Kursk region this year, Russian forces have now poured over the border in the opposite direction toward Sumy.

With 50,000 troops in the area, they outnumber the Ukrainians roughly 3-to-1, according to soldiers fighting there.

"Their main strategy," Gen. Oleksandr Syrskiy, Ukraine's top military commander, said of the Russians, is to "wear us

down with their numbers."

The Russian advance toward Sumy comes as President Trump has begun voicing growing frustration with the Kremlin's unwillingness to broker a cease-fire.

Though meetings between Ukrainian and Russian officials have continued in Turkey throughout recent weeks, Moscow has stepped up its missile and drone attacks on Ukrainian

cities during that same period.

At nighttime on Sunday, Ukraine lost an F-16 jet fighter and its pilot during an aerial bombardment, the largest since the start of the war in terms of numbers of munitions launched.

Over the past year, the front line has grown by more than 100 miles, Syrskiy said, and stretches more than 750 miles

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### INSIDE



DESIRE RIOS FOR WSJ

**BUSINESS & FINANCE**  
Amazon will soon have as many robots as staff in its warehouses. **B1**



APPHETTY IMAGES

**U.S. NEWS**  
Trump administration says its investigation found Harvard violated students' rights. **A3**

## Firm Offering Private Shares To the Little Guy Stumbles

Linqto faces investigations and a possible bankruptcy filing

By SUSAN PULLIAM AND CORRIE DRIEBUSCH

In January 2023, the chief executive of the private stock investment firm Linqto announced a "Spike Day," a one-day sprint to boost sales to its customers—small investors looking for a shot at buying shares of coveted private companies.

"Take no prisoners," the now-former CEO, William Sarris, wrote in an email to staff, reviewed by The Wall Street Journal. "This is guerrilla warfare."

Sarris was trying to unload shares of Ripple, a privately held crypto company, to Linqto's 11,000 users, at a price at least 60% higher than what Linqto paid. The Securities and Exchange Commission generally prohibits markups above 10% but Sarris pushed ahead, not disclosing the price hike to customers, and the company pocketed \$2 million, according to people close to the situation. An outside law firm later reviewed the transactions and warned that Linqto's ac-

tions may constitute securities fraud, according to a memo reviewed by the Journal.

Now it's looking even worse for Linqto and its customers. An internal investigation has turned up evidence that Linqto customers never owned the securities they thought they did and that the company was marketing to some investors who may not have been eligible to buy stakes in private companies in the first place, according to an internal memo. It's all ending badly, with the company barreling toward a possible restructuring through bankruptcy, according to the new management, and facing investigations of its practices by the SEC and Justice Department.

Linqto, which maintains about \$500 million on behalf of thousands of investors around the world, was one of the earliest firms to capitalize on small investors' growing eagerness to buy into highflying private companies. Its trading platform helped pio-

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## Stocks Sit At Record Highs After Wild Quarter

S&P 500 has added more than 9% since Trump announced sweeping tariffs

By KRYSTAL HUR

A historic and tumultuous quarter ended with U.S. stocks at records and many investors betting the ride isn't over yet.

The April swoon that carried the S&P 500 to the brink of a bear market has been erased and then some. The broad index has now added more than 9% since President Trump announced sweeping tariffs that sparked havoc in markets.

Now, investors have more reasons to feel upbeat. Both the S&P 500 and Nasdaq Composite Index are hitting fresh all-time highs. Robust corporate earnings and solid economic data suggest that growth remains resilient. Inflation is trending near the Federal Reserve's 2% target. Banks that slashed their year-end targets for the S&P 500, such as JPMorgan Chase and Goldman Sachs, are raising them again.

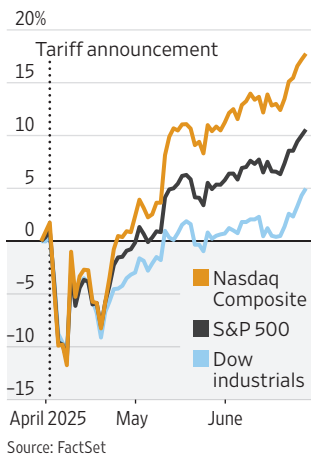
Stocks gained Monday, with the Dow Jones Industrial Average adding about 0.6%, or 275.50 points, after the U.S. resumed trade talks with Canada, which rescinded a digital-services tax that had led Trump to pause negotiations on Friday. The S&P 500 notched its best quarterly performance since 2023, and the Nasdaq saw its biggest quarterly jump since 2020.

"Markets can take some comfort in that we've, in a sense, weathered some of the storm," said Yung-Yu Ma, chief investment strategist at PNC Asset Management. "The worst is probably behind us."

That optimism has fueled fresh gains for some recent stalwarts. The artificial-intelligence trade has rebounded from a rocky start to the year, when the emergence of Chinese upstart DeepSeek's AI model erased billions of dollars of value from Nvidia and other tech giants.

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### Index performance, second quarter



Source: FactSet

## Cracker Barrel Fans Mourn Loss of That Old-Timey Feeling

Some diners are taking a dim view of chain's modern glow up; 'just heartbreak'

By JENNIFER WILLIAMS

Is Cracker Barrel still Cracker Barrel without all the butter churns and tchotchkes? Loyal diners aren't so sure.

The chain won the hearts of many Americans with its old-timey country charm. Diners wolfed down pancakes and Southern fried chicken surrounded by vintage advertising signs, old bottles and mechanics' tools—all meant to evoke the feeling of being in your grandmother's house.

Now it's decluttering the decor, and diners and employees are divided.

"I'm secretly wishing that maybe the changes don't come to our restaurant," said longtime diner Sharon Triana.

Eating at Cracker Barrel Old Country Store became a ritual for the Miami resident and her parents. Now, the twice-monthly pilgrimage to a location near Homestead, Fla., includes the 34-year-old's partner and their 10-year-old twins.

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Shaken up

## North Korean Hackers Infiltrated, Scammed Companies, U.S. Says

By ROBERT MCMILLAN

At first, Pemba Sherpa seemed like a great employee. Eager to work, he began as a \$35-an-hour coder who sharpened up an app for his boss, Marlon Williams. But a few years later, Williams fired him, thinking he was probably a crook.

On Monday, federal authorities accused him of being something even more nefarious. According to court filings and cyber investigators, the man claiming to be Sherpa was actually Kim Kwang Jin, a North Korean cybercriminal using a stolen identity. He was part of a group of men who traveled the world looking for ways to make money for their heavily sanctioned government. Their methods of choice

were drawing paychecks and stealing from their employers.

"This was not a simple scam; it was a long con," said Daniel Polk, a special agent with the Federal Bureau of Investigation.

In a federal indictment that was unsealed Monday, Jin and three accomplices—all North Koreans—were charged with five counts of wire fraud and money laundering. Also charged were Kang Tae Bok, Jong Pong Ju and Chang Nam Il.

The men remain at large, but FBI and Justice Department officials said on Monday they are looking for opportunities to arrest them. They also announced charges against people who allegedly helped the North Koreans and said they were conducting searches in 16 states at 29 "laptop farms," places that allegedly helped the North Ko-

reans log into their U.S. jobs. A request for comment to North Korea's United Nations mission in New York went unanswered on Monday.

Williams estimated he paid Sherpa and his associates close to \$400,000 in wages over 20 months. The workers also used their positions of trust to steal more than \$1 million in cryptocurrency, he said.

"I had no clue why it had happened," Williams said. "I really thought it was a disgruntled employee."

Over the past five years, North Korea has deployed several thousand illegal workers who have spanned out across the globe and earned hundreds of millions of dollars in paychecks from Western companies while causing further

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