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THE WALL STREET JOURNAL.

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DJIA 47632.00 ▼ 74.37 0.16% NASDAQ 23958.47 ▲ 0.5% STOXX 600 575.40 ▼ 0.1% 10-YR. TREAS. ▼ 19/32, yield 4.056% OIL $60.48 ▲ $0.33 GOLD $3,983.70 ▲ $17.50 EURO $1.1602 YEN 152.74

What's News

Business & Finance

◆ **The Fed lowered** interest rates at its second consecutive meeting but Chair Jerome Powell cast doubt on expectations of a further rate cut in 2025. **A1**

◆ **U.S. stocks ended mixed** after the Fed's decision, with the S&P 500 finishing flat and the Nasdaq gaining 0.5%. The Dow fell 0.2%. **B10**

◆ **The Bank of Canada** cut its policy rate for the fourth time this year, to 2.25%, and signaled an end to the easing cycle. **A2**

◆ **Meta Platforms reported** record revenue for the third quarter but warned of accelerating capital expenditures around artificial intelligence, sending its stock down 7% in after-hours trading. **A1**

◆ **Google's parent** company reported a 16% surge in third-quarter revenue, with growth in its digital-advertising and cloud-computing units helping to finance robust AI spending. **B1**

◆ **Microsoft is seeing** more demand for its cloud-computing and AI services than it can keep up with, a challenge that is supercharging the company's income. **B1**

◆ **Nvidia became the** first company to hit $5 trillion in market value, a milestone in an unprecedented surge that reflects the growing influence of artificial intelligence. **A1**

◆ **Boeing booked a** $4.9 billion noncash charge in the third quarter to account for the delayed delivery of its new 777X model, now scheduled for 2027. **B1**

◆ **GM laid off thousands** of UAW-represented workers at factories that make electric vehicles and EV batteries. **B3**

World-Wide

◆ **Trump said he has** ordered the Pentagon to test nuclear weapons, although it was unclear if he referred to warheads or delivery systems. **A5**

◆ **The U.S. and** South Korea reached agreement on a trade pact, a surprise breakthrough following months of contentious talks over $350 billion in investments Seoul has pledged to the U.S. **A5**

◆ **Hurricane Melissa** passed through Cuba as a powerful Category 2 storm and headed toward the Bahamas a day after it devastated Jamaica. **A7**

◆ **The Pentagon told** the National Guard to create quick reaction forces in every state and territory that are trained and equipped to respond to riots and civil unrest in the U.S. **A3**

◆ **The Trump administration** is reducing U.S. forces in Europe as it completes a new military strategy giving priority to a presence in the Western Hemisphere and Asia. **A7**

◆ **Trump's advisers are** considering Las Vegas as the location for the Republican Party's midterm political convention next year. **A3**

◆ **Two suspects in the** Louvre heist were detained over the weekend, though neither was in possession of the stolen jewels. **A7**

◆ **Dutch firebrand Geert** Wilders' hard-right Freedom Party was on the brink of losing power after elections in the Netherlands. **A7**

◆ **Two purported Russian** mobsters were sentenced to 25 years in prison for hiring a hit man to kill a journalist on behalf of Iran. **A4**

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Fed Cuts Rates, Powell Wary of More

Benchmark trimmed by a quarter point, but data blackout blurs path ahead

BY NICK TIMIRAOS

The Federal Reserve lowered interest rates at its second consecutive meeting on Wednesday, but Chair Jerome Powell cast doubt on expectations of a further rate cut in 2025.

Powell made an unusually pointed intervention at a news conference following the meeting to push back against market expectations that a rate cut at the Fed's next gathering in December was a foregone conclusion. "Far from it," he said.

Stocks turned lower Wednesday after Powell's comments. The Dow Jones Industrial Average and the S&P 500 erased earlier gains, with the Dow falling 74 points, or 0.2%, to 47632, while the S&P 500 ended nearly flat. The Nasdaq Composite rose 0.5% to another record high. The 2-year Treasury yield, which is especially sensitive to expectations about the Fed, rose 0.092 point to 3.585%.

The latest quarter-point cut will reduce the Fed's benchmark short-term interest rate to between 3.75% and 4%, the lowest setting in three years and down from a peak of around 5.4% maintained for much of last year. The cut was made to extend an effort to prevent a recent slowdown in hiring from turning into something more serious.

Powell's comments underscored how the easiest part of unwinding the central bank's aggressive rate hikes might be over as he navigates a committee with what he called a "growing chorus" of officials who are wondering whether further cuts are warranted.

That task has been complicated by a data blackout resulting from the government shutdown. If officials face very high uncertainty about the economic outlook, "that could be an argument in favor of caution" about cutting again, Powell said.

The Fed approved the rate cut on a 10-2 vote. Kansas City Fed President Jeffrey Schmid voted against the decision because he favored no change in rates, while Fed governor Ste-

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Israel Strikes Gaza, but It Says Truce Is Back On

MOHAMMED SABER/EPA/SHUTTERSTOCK

ELUSIVE PEACE: Palestinians survey damage in Gaza City on Wednesday after airstrikes by Israel, which said Hamas broke a cease-fire. The group denied attacking Israeli troops. Palestinian officials said more than 100 people were killed. A6

Nvidia Rockets to a New Milestone, Becoming First $5 Trillion Company

BY HANNAH ERIN LANG

Nvidia became the first company to hit $5 trillion in market value, the latest milestone in an unprecedented surge that reflects the growing influence of artificial intelligence on markets and the economy.

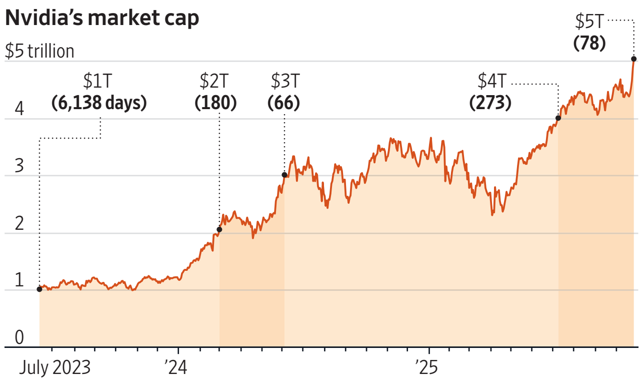
The chipmaker's stock rose about 3% Wednesday to $207.16, giving it a market cap of $5.03 trillion.

Shares have been boosted by exuberance for AI's potential and a recent flurry of deals and partnerships with some of the biggest companies in AI and corporate America, from OpenAI and Oracle to Nokia and drugmaker Eli Lilly. Enthusiasm for Chief Executive Officer Jensen Huang's speech in Washington, D.C., also juiced gains this week.

"They're the linchpin of this entire AI trade," said Angelo Zino, senior vice president at CFRA Research.

The number of trading days it took Nvidia to reach successive valuation milestones

Nvidia's market cap



Sources: LSEG; Dow Jones Market Data

Nvidia is now larger than Advanced Micro Devices, Arm Holdings, ASML, Broadcom, Intel, Lam Research, Micron, Qualcomm and Taiwan Semiconductor Manufacturing combined, according to Dow Jones Market Data. Its value also exceeds entire sectors of the S&P 500, including utilities, industrials and consumer staples.

The Santa Clara, Calif., company designs chips, known as graphics processing units, or GPUs, that power the AI industry, placing it at the heart of the boom that has carried stocks to record after record. The company said Tuesday that it had already shipped 6 million of the Blackwell chips it released last year and has orders for 14 million more.

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◆ Nvidia to target factories for AI............ B5
◆ Heard on the Street: Blackwell key to new market cap........ B11

Meta Posts Record Revenue, Warns of Expenses

BY MEGHAN BOBROWSKY

Meta Platforms reported record revenue in the third quarter but warned of accelerating capital expenditures around artificial intelligence, sending its stock down 7% in after-hours trading.

The company said it brought in $51.2 billion in sales, a 26% year-over-year increase, and net income of $2.7 billion, far below analysts' expectations of $17.1 billion. It attributed the net-income shortfall to a $15.9 billion one-time accounting adjustment to reflect future tax liability, resulting from the president's so-called one big beautiful bill.

Meta said sales for the current quarter are expected to be between $56 billion and $59 billion, roughly in line with analysts' expectations.

The company also said it expects total expenses to "grow at a significantly faster percentage rate in 2026 than 2025," primarily driven by infrastructure costs.

On a conference call with analysts and investors, Meta Chief Executive Mark Zuckerberg said the acceleration was necessary to support its pursuit of what the company calls superintelligence, or AI that vastly outperforms human capabilities.

"That way, if superintelligence arrives sooner, we will be ideally positioned for a generational paradigm shift," Zuckerberg said. "If it takes longer, then we'll use the extra [computing power] to accelerate our core business."

He added: "And in the worst case, we would just slow building new infrastructure for some period while

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The Repo Man Is Busier Than Ever

BY SCOTT CALVERT

ALEXANDRIA, Va.—From the cab of his tow truck, George Dowdy clicked a remote control to slide the boom under a parked Chevy Trax and grab its front tires. In seconds, the veteran repo man dragged the blue SUV into the cool night.

Soon after, colleague Jay Caviness hooked a Jeep Grand Cherokee in a nearby town. The men dropped their respective hauls at a Maryland lot crammed with cars whose owners couldn't—or didn't—make their payments. Then they went hunting for more.

They aim to make good on the message affixed to Dowdy's tow truck: "Don't Make It We Take It." Lately there is plenty for the taking, as some car-loan delinquency rates reach records.

An estimated 1.73 million vehicles were repossessed last year, the most since recession-wracked 2009, according to automotive-service business Cox Automotive. There are signs the surge continues: This year's repo volume at Cox's Manheim auctions unit was up 12% through the end of September, compared with the same period last year.

"It's like history repeating itself," said Detroit repossessor George Badeen, president of Allied Finance Adjusters, a trade group. Pandemic-era

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Your Best Homicide Defense: 'I Feared For My Life, Officer'

Legally sanctioned killings are up in states with expanded self-defense laws

BY MARK MAREMONT AND PAUL OVERBERG

It's easier than ever to kill someone in America and get away with it.

In 30 states, it often requires only a claim you killed while protecting yourself or others.

While Americans have long been free to use deadly force to defend themselves at home, so-called stand-your-ground laws in those 30 states extend legal protections to public places and make it difficult for prosecutors to file homicide charges against anyone who says they killed in self-defense.

The number of legally sanctioned homicides by civilians in the 30 stand-your-ground states has risen substantially in recent years, The Wall Street Journal found in an analysis of data from the Federal Bureau of Investigation.

Justifiable homicides by civilians increased 59% from 2019 through 2024 in a large sample of cities and counties in those states, the Journal found, compared with a 16% rise in total homicides for the same locales.

With more guns in more hands, families are grieving loved ones lost to quick-tempered killings, often involving law-abiding civilians, with no one held accountable.

A retired Las Vegas police officer walked free after fatally shooting a retired computer network engineer during a dispute over who had the right of way in a Walmart parking lot. Both men got out of their vehicles.

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Welcome to Johannesburg: The Global Capital of Apathy

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Tourists are dumbfounded by the many signs the city stopped trying; 'Jozi Jacuzzi'

BY ALEXANDRA WEXLER

JOHANNESBURG—What does it look like when a city stops trying? Visit Johannesburg, where instead of providing basic public services, the government just warns residents not to expect them.

Signs tell you what crime you're most likely to fall victim to at highway exits and intersections; beware "Hi-Jacking Hot Spot" or "Smash and Grab Hot Spot." Homeless people routinely direct traffic when the stoplights don't work. Minibus taxis that ferry workers around the city often drive on the wrong side of the road to avoid rush hour traffic.

Johannesburg, South Africa's biggest metropolis, mar-

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INSIDE

JASON GAY

Belichick who? Hug-loving coach and QB phenom have Patriots rolling again. **A12**