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THE WALL STREET JOURNAL.

DOW JONES | News Corp ★★★★★ FRIDAY, OCTOBER 31, 2025 ~ VOL. CCLXXXVI NO. 104 WSJ.com ★★★★ $5.00

DJIA 47522.12 ▼ 109.88 0.23% NASDAQ 23581.14 ▼ 1.6% STOXX 600 574.83 ▼ 0.1% 10-YR. TREAS. ▼ 10/32, yield 4.094% OIL $60.57 ▲ $0.09 GOLD $4,001.30 ▲ $15.10 EURO $1.1566 YEN 154.14

What's News

Business & Finance

◆ **Fed officials plan** to reduce the staff of its banking-supervision arm by 30% by the end of next year, according to an internal memo seen by The Wall Street Journal. **A3**

◆ **The ECB held** interest rates steady as investors question whether its most aggressive easing campaign since the financial crisis is really done. **A8**

◆ **Amazon.com reported** faster-than-expected increases in artificial intelligence-related revenue and aggressive plans to increase its data-center capacity. **B1**

◆ **Post-earnings slumps** in Meta Platforms and Microsoft shares weighed on U.S. stock indexes, with the S&P 500, Nasdaq and Dow falling 1%, 1.6% and 0.2%, respectively. **B10**

◆ **Apple reported** record sales and said it expects revenue to increase 10% to 12% in the holiday quarter as customers upgrade to the new iPhone 17. **B1**

◆ **Weight-loss drugs are** propelling a new gold rush for the pharmaceutical industry, with stellar sales at Eli Lilly and a startling move by Novo Nordisk. **B1**

◆ **Related Cos.** agreed to build a more than $7 billion data-center campus on farmland outside Detroit, one of the largest such deals yet. **B1**

◆ **BlackRock's private-credit** investing arm and other lenders are trying to recover hundreds of millions of dollars after falling victim to what they called a breathtaking fraud. **B1**

◆ **Hyundai posted** weaker earnings for the third quarter, dented by U.S. tariffs, but can expect relief from a U.S.-South Korea trade deal. **B2**

World-Wide

◆ **Trump and Xi Jinping** emerged from their first face-to-face meeting in six years with a temporary detente in the bruising trade fight between the U.S. and China. **A1, A4**

◆ **Despite the leaders'** apparent affability, the two countries haven't addressed their underlying conflicts. **A1**

◆ **The Trump administration** identified targets in Venezuela that could be hit if the president authorized airstrikes, U.S. officials said. **A1**

◆ **Russian President** Vladimir Putin hailed the first long-distance test of a nuclear-powered cruise missile that the Kremlin leader said has no equal in the West. **A6**

◆ **Trump gave approval** for South Korea to build a nuclear-powered submarine in the U.S., granting an American ally a coveted piece of hardware that could rattle China and North Korea. **A6**

◆ **Prince Andrew will be** stripped of all his titles and evicted from the Windsor mansion he lives in after years of damaging news about his friendship with Epstein. **A8**

◆ **Lebanese militant group** Hezbollah is rebuilding its arms and battered ranks, defying the terms of a truce and raising the prospect of renewed conflict with Israel. **A8**

◆ **French police made** five more arrests in connection to the Louvre heist in a sign the thieves may have relied on a wider network. **A8**

◆ **Al Qaeda militants** are moving closer to seizing Bamako, the capital of the West African nation of Mali. **A16**

CONTENTS

EVELYN HOCKSTEIN/REUTERS

President Trump and Chinese leader Xi Jinping agreed to steps to lower trade tensions.

Trump Cuts China Tariffs After Xi Talks

Summit offers some relief to both sides while high-stakes rivalry carries on

By Josh Chin And Meridith McGraw

BUSAN, South Korea—President Trump and Chinese leader Xi Jinping emerged from their first face-to-face meeting in six years with a temporary detente in the bruising trade fight between the two superpowers.

The U.S. agreed to lower a fentanyl-related tariff on Chinese goods to 10% from 20% after China promised to crack down on chemicals used to make the often-deadly drug. That would bring the average tariff rate on many Chinese goods to around 47% from 57%.

Beijing also promised to ease some of the controls it imposed on exports of processed rare-earth minerals for one year. China dominates the production of the minerals, which are needed to make everything from smartphones to submarines. Its restrictions this year on rare-earth exports have badly hurt U.S. businesses.

In addition, China agreed to buy large amounts of U.S. soybeans, Trump said. China ordered several soybean cargoes from U.S. grain handlers this week, offering relief to U.S. farmers who have been in a panic this harvest season as trade tensions sent Chinese buyers elsewhere to source the crop.

Trump was effusive about the meeting on his way back to the U.S. from South Korea.

"Overall, I guess on the scale of from zero to 10, with 10 being the best, I would say the meeting was a 12," he said.

While the agreement lowers immediate tensions between the U.S. and China, which have been locked for months in a

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◆ Trump savors trip, returns to old woes A4

Trade Detente Brings Little Peace to Business

After a face-to-face with Chinese leader Xi Jinping, President Trump said the meeting wasn't just nice, it was a 12 on a scale of one to 10.

By Hannah Miao, Jon Emont and Raffaele Huang

But for businesses caught between the two superpowers, the ugly reality remains: The U.S. and China haven't addressed their underlying conflicts. Commerce is going to be rocky for years to come.

U.S. tariffs on Chinese goods are still historically high, even after Trump lowered them somewhat. Beijing backed off on its latest harsh export controls on rare-earth minerals vital to making products from electric vehicles to jet fighters, but an opaque licensing system continues to frustrate U.S. manufacturers.

And despite kind words exchanged between Trump and Xi, they didn't touch the root causes of the standoff between the world's two largest economies—including China's trade surplus, its industrial subsidies and both countries' quest for technology domination.

"This truce is positive for now, but we should all expect tensions to escalate in the future," said Wendy Cutler, a former U.S. trade negotiator now at the Asia Society Policy Institute in Washington.

At the Trump-Xi summit in South Korea—the first in-person meeting between the leaders in six years—the U.S. agreed to lower a fentanyl-related tariff on Chinese goods to 10% from 20%, in exchange for a promise by China to crack down on chemicals used to make the often-deadly drug. That would bring the average tariff rate on many Chinese goods to around 47% from 57%, Trump said.

U.S. consumers as a result will likely pay a bit less for made-in-China products, which could become relatively more attractive compared with other countries' goods. In the first nine months of 2025, China's exports to the U.S. were down nearly 17% from a year earlier ago, according to Chinese government data.

Businesses said the years-long trend of U.S. companies' moving production out of China is here to stay. Tariffs on most goods remain higher for China than for alternative countries such as Vietnam and Thailand, and conflict between the two superpowers could erupt again.

Benjamin Jurken, vice president of the ABC Group in Milwaukee, helps U.S. businesses manage supply chains in Asia

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U.S. Eyes Striking Venezuelan Military Targets

The Trump administration has identified targets in Venezuela that include military facilities used to smuggle drugs, according to U.S. officials familiar with the matter. If President Trump decides to move forward with airstrikes, they said, the targets would send a clear message to Venezuelan leader Nicolás Maduro that it is time to step down.

By Shelby Holliday, Lara Seligman and Vera Bergengruen

While the president hasn't made a final decision on ordering land strikes, the officials said a potential air campaign would focus on targets that sit at the nexus of the drug gangs and the Maduro regime. Trump and his senior aides have been particularly focused on unseating Maduro as the U.S. military has attacked boats allegedly carrying drugs in the Caribbean and eastern Pacific Ocean.

The potential targets under consideration include ports and airports controlled by the military that are allegedly used to traffic drugs, including naval facilities and airstrips, according to one of the officials.

Trump came into office pledging to crack down on the flow of illegal narcotics, responsible for tens of thousands of American deaths each year, from Latin America into the U.S. Since Trump's inauguration, the U.S. has deployed an unprecedented

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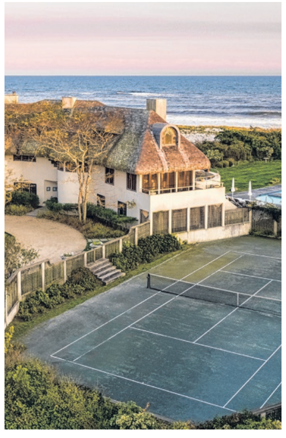
INSIDE



MANSION

The Hamptons luxury real-estate market is making an epic comeback. **M1**

Before Pardon, Crypto Titan Boosted Trump Company

Binance facilitated $2 billion purchase of World Liberty's stablecoin; its founder received clemency last week

ABU DHABI—Changpeng Zhao, crypto's richest man, flew home from a California jail a year ago to recuperate in a secluded neighborhood of $30 million villas on a white-sand island here. He worked on his kite-surfing,

By Angus Berwick, Patricia Kowsmann and Rebecca Ballhaus

caught up with friends and kept his 100-foot yacht, Da Moon, moored nearby.

Despite his freedom, all wasn't well. Binance, Zhao's crypto exchange—owned by a felon and shackled by U.S. authorities—was struggling. Its new overseers were turning the screws to eliminate the practices that had made it a giant money-laundering mill. Binance's top legal staff were certain the company was doomed.

Then Donald Trump's surging presidential campaign presented an opportunity.

Around the time of the election, Zhao's representatives began discussions with allies of Trump, saying they wanted to find a solution to Binance's legal troubles in the U.S. and offering a deal with a Trump family business, according to people familiar with the discussions.

Once Trump won, Binance formed a high-

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How the Potato Became a Coveted Prize for Trick-or-Treaters

* * *

A Halloween tradition that started as a lark has gained steam in recent years

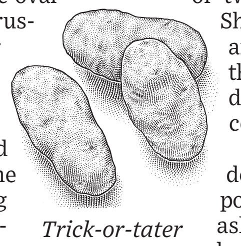
By Charles Passy

Talk about a hot potato.

As trick-or-treaters make their rounds this year, many will be expecting the usual cornucopia of candy. But for some, the true treat will turn out to be the classic oval or oblong-shaped russet spud, good for baking, frying or just plain admiring.

And yes, we said treat. Somehow the potato is emerging as a Halloween treasure, better than candy bars. What appears to have started as one man's idea of a joke has spread in recent years, with more households offering the tuber in an effort to give the festivities a topsy-turvy spin.

In an even bigger twist, they've got takers aplenty. Gemma Keith, a 14-year-old who lives in the Provo, Utah, area, hopes to collect a potato or two this Halloween.



Trick-or-tater

She got one last year and considered it the find of the night, despite her initial confusion.

"I was like, 'Why do you guys have a potato?'" she recalled asking the family handing out spuds. Their response, according to Keith: "Potatoes are just better."

By the time the teen got

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'Buffett Premium' Fades Before Legend Retires

By Krystal Hur

Warren Buffett still has a couple months left as Berkshire Hathaway's chief executive. The company's shares are already feeling his absence.

Buffett, 95 years old, stunned investors at Berkshire's shareholder meeting in May when he revealed his plans to hand off his CEO duties to Greg Abel, his handpicked successor, at the end of this year.

The succession plan will also bring big changes to several treasured traditions for Berkshire watchers, many of whom treat Buffett's words of wisdom on business and investing as gospel.

Abel will take over writing the annual letter to Berkshire's shareholders, Buffett's assistant confirmed to The Wall Street Journal, and will lead Berkshire's annual meeting in Omaha, Neb. Starting next year, Buffett, still chairman, will sit with the company's other directors.

There is another consequence to Buffett's retirement, especially to Berkshire shareholders, and it is already happening: Berkshire is losing its "Buffett premium," or the higher price investors are willing to pay to own Berkshire's stock because of the longtime chairman and CEO's presence.

Berkshire's Class B shares have declined 11% since the May meeting, and experts say concerns about how Berkshire will manage without Buffett, some analysts said.

In comparison, the S&P 500 index has gained 20% during that stretch. For the year, Berkshire shares are underperforming the benchmark index by the widest margin

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