

THE WALL STREET JOURNAL.

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★★★★ \$5.00

DJIA Closed (48731.16)

NASDAQ Closed (23613.31)

STOXX 600 Closed (588.70)

10-YR. TREAS. Closed (4.133%)

OIL Closed (\$58.35)

GOLD Closed (\$4480.60)

EURO \$1.1785

YEN 155.81

What's News

Business & Finance

◆ **Family offices** have become the new power players on Wall Street, with Deloitte estimating the amount of money they oversee will rise to \$6.9 trillion this year and top \$9 trillion by 2030. **A1**

◆ **It has been a good year** for most of America's biggest companies, but for many small businesses, where margins and cash reserves are typically thinner, the opposite is true. **A1, A2**

◆ **U.S. stocks rose** in a holiday-shortened session Wednesday, lifting the S&P 500 and Dow to records. On Thursday in Asia, Japan's Nikkei edged 0.1% higher and the Shanghai Composite rose 0.6%. **B10**

◆ **Shares of Nike** jumped after the company said that lead independent director Tim Cook nearly doubled his personal stake by buying \$2.9 million of its stock. **B3**

◆ **The Trump administration** accused China of unfair trade practices in the semiconductor industry but said it would refrain from imposing additional tariffs until 2027. **A2**

◆ **Nvidia struck** a licensing deal with Groq for its AI-inference technology as demand grows for cutting-edge chips. **B1**

◆ **The Italian Competition Authority** fined Ryanair the equivalent of \$300.9 million over the budget airline's treatment of travel agencies. **B3**

◆ **Supply-chain startup** Kargo doubled down on AI and is bucking the sector's fundraising slump, drawing in \$42 million in a Series B round. **B4**

◆ **More private-equity managers** plan to sell minority stakes in the coming years as the industry's downturn drives firms to seek outside investment. **B3**

World-Wide

◆ **The U.S. launched strikes** on Islamic State targets in Nigeria to protect the country's Christian population from the terrorist group, Trump said in a post on Truth Social. **A6**

◆ **India is spending** hundreds of millions of dollars to build roads, tunnels and landing strips throughout the Himalayas as it prepares for a possible future military clash with China. **A1**

◆ **China is making** steady progress on developing more-sophisticated weapons and expanding its forces' ability to operate away from the mainland, a Pentagon assessment concluded. **A7**

◆ **The Coast Guard** and U.S. military are mustering more personnel and firepower to forcibly board a suspect oil tanker that has been in flight for the past week. **A6**

◆ **The way the Epstein files** are being released is sowing further doubts among the public about the government's handling of the process and its commitment to full transparency. **A5**

◆ **The Trump administration** has signaled it plans to conduct an unprecedented fact-check of state voter lists and many state leaders are fighting back, citing privacy laws and who has jurisdiction. **A3**

◆ **Six months after** launching a 12-day war with Iran over its nuclear program, Israeli officials are raising the prospect of another clash over Tehran's efforts to rebuild its arsenal of ballistic missiles. **A9**

◆ **Died: Neil Frank, 94**, a former leader of the National Hurricane Center. **A4**

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Christmas Eve Mass Is Milestone for New Pope



GREGORIO BORGIA/ASSOCIATED PRESS

HARK! Pope Leo XIV, elected pope in May, led his first Christmas Eve Mass in St. Peter's Basilica at the Vatican. In his Christmas Day sermon, the U.S.-born pope urged the faithful to contribute to peace by acting with humility and responsibility. **A9**

Economic Divide in U.S. Widens Between Big, Small Businesses

By HARRIET TORRY AND JUSTIN LAHART

It has been a good year for most of the U.S.'s biggest companies, with surging profits and enthusiasm for artificial intelligence propelling stocks to record highs. But for many small businesses, it has been just the opposite.

At small businesses, which are unable to withstand economic headwinds as easily as their larger counterparts, years of high inflation, increasingly cautious consumers and tariffs are weighing on earnings and prompting cutbacks. Over the past six

months, private firms with fewer than 50 workers have steadily shed jobs, according to payroll processor ADP, cutting 120,000 in November alone. Midsize and, especially, large firms have continued to add jobs.

Typically, in early December, Almost Famous Popcorn would have been staffing up for the holiday rush, when the gourmet popcorn company does 60% of its sales.

"In a normal year we'd hire 10 to 15, and this year we're closer to four or five," said Sydney Rieckhoff, chief executive officer of the Cedar Rapids, Iowa-based company.

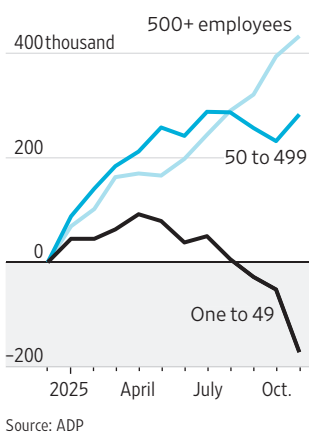
"We're definitely seeing more thoughtful spending," she said, with companies placing smaller orders for client and staff gifts.

The growing divide between the fortunes of small and large businesses mirrors the divide that has emerged over the past year between low-income people and their high-income counterparts. That split among categories of consumers is exacerbating, according to the Federal Reserve's latest compilation of economic anecdotes

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◆ **Wealthy consumers keep economy humming.....** **A2**

Cumulative change in employment since Dec. 2024, by firm size



Buffett's Playbook Is Difficult to Duplicate

By HEATHER GILLERS

Lots of people want to invest insurance money these days. Nobody does it quite like Warren Buffett.

The seed capital Buffett's Berkshire Hathaway uses to maintain its vast investing empire comes from insurance premiums, dollars that often sit unused for months or years before going to pay claims. That cash—or "float" in Buffett'speak—sounds a lot like the money big private-equity and private-credit firms are increasingly seeking to control. Apollo Global Management Chief Executive Marc Rowan cited "elements of Berkshire Hathaway" when the firm merged with its insurance affiliate, Athene, four years ago.

On the surface, Apollo, KKR

and others are following in Buffett's footsteps in buying up insurance companies. But the firms famous for selling some of Wall Street's most opaque and illiquid assets don't really have much in common with the Oracle of Omaha.

Private-market managers like humdrum annuities: long-term insurance policies popular with retirees because they offer a regular stream of payments. That predictability allows insurers to be creative in how they invest insurance reserves, locking up money in private credit. The increasing complexity of their portfolios has kept the regulators who vet those investments busy.

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◆ **Heard on the Street: Trying to invest like Buffett.....** **B10**

A Civil War Erupts Over Cattle Branding in Nebraska

* * *

Critics say agency enforcing herd markings takes its job way too seriously

By PATRICK THOMAS

Cassie Lapaseotes made a mistake that nearly made her a felon: running afoul of Nebraska's cattle-branding rules.

Lapaseotes was accused of not having a bill of sale for about 460 of her own calves before moving them from her ranch to her family's feedlot, one of the largest in Nebraska.

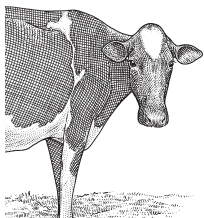
"I'm like you're f— kidding me, right?" she said. "I'm gonna be a

felon for branding my own cattle. I literally could not sleep."

Before selling cattle in and out of the state, ranchers need to have them inspected by Nebraska's Brand Committee. It is a deputized state law enforcement agency of nearly 80 tasked with preventing theft by checking that brands match their registered owners.

It also has Nebraska cattle ranchers locked in a civil war over the centuries-old tradition.

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Anti-rustling

Hidden Risks of a Popular Prescription Painkiller

Patients struggle with gabapentin, an alternative to opioids

By BETSY MCKAY AND SHALINI RAMACHANDRAN

John Avery was just back from a guys' golfing weekend and doing dead lifts at the gym in 2023 when he felt a pop in his lower back. A disc had slipped and was pressing on a nerve.

After months of rest, physical therapy and steroids, he was prescribed a drug called gabapentin by a pain management specialist who told Avery that it could help calm his nerve pain and that it was "nonaddictive," Avery recalled. He took the medicine for a few days, then had surgery, and took it again for a little more than three weeks.

The 33-year-old former high-school physical education teacher in Newark, Ill., said he expe-

rienced a severe protracted withdrawal when he stopped, which led to neurological symptoms now that make his original back problem seem like "a paper cut" by comparison.

His symptoms include shaking and a burning sensation throughout his body, muscle spasms and a racing pulse. He can't sleep for more than a half-hour at a time, and has lost so much weight that his wife said his calves are the size of her arms. The change in his life, he said, is "beyond dramatic."

Approved by the Food and Drug Administration decades ago for seizures and nerve pain from shingles, gabapentin is now the seventh-most widely prescribed drug in the U.S., ac-

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INSIDE



SPORTS

The moments that defined the year for the WSJ Sports staff. **A16**



MANSION

A 'great revolution' is fueling a real-estate boom in the Paris suburbs. **M1**

India Builds in North Amid China Tensions

India is spending hundreds of millions of dollars to build roads, tunnels and landing strips throughout the Himalayas, as it prepares for a possible future clash with its long-time nemesis China.

By Shan Li, Aakash Hassan and Ming Li

India's bloody border clash with China in 2020, which killed soldiers on both sides, exposed an alarming vulnerability along the disputed 2,200-mile border, a vague demarcation line known as the Line of Actual Control. While China has for decades built up a vast network of railways and roads along its border regions, India has done little to build the infrastructure its military would need to traverse its own mountainous border areas.

When fighting erupted in

2020—soldiers at 14,000 feet fought hand-to-hand using batons and clubs wrapped in barbed wire—Beijing could have rushed in reinforcements within hours, according to analysts. India would have needed up to a week to send additional troops along its bumpy or nonexistent roads.

"It was a dramatic shift in thinking," said Maj. Gen. Amrit Pal Singh, former chief of operational logistics in the northern region of Ladakh, which is home to some of the most sensitive stretches of India's border with China. "We realized we needed to change our total approach."

Some of the projects are designed to link high-altitude areas with military outposts and civilian settlements that are isolated during the winter. One of the most ambitious is the Zojila tunnel, which is be-

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