

# THE WALL STREET JOURNAL.

DOW JONES News Corp

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WEDNESDAY, JULY 1, 2026 - VOL. CCLXXXVIII NO. 1

WSJ.com

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## What's News

### Business & Finance

◆ **The S&P 500** and the Nasdaq composite rose 15% and 21%, respectively, during the second quarter, posting their best quarter each since 2020. The Dow gained 13%, its best quarter since 2022. **A1**

◆ **Comcast's move** to split itself into two creates the next deal magnet in an entertainment industry that is poised for another consolidation. **B1**

◆ **JPMorgan has filed** a motion in a federal court to vacate the \$4.25 million award to a former wealth adviser who was fired for expensing a \$642.50 Super Bowl deli platter in a case known as the "salami incident." **B1**

◆ **Private-equity firms** IVEST Consumer Partners and Cloverlay have sold the Care Bears brand of plush toys and related rights to Authentic Brands Group. **B3**

◆ **Mystery traders used** advance knowledge of a Chinese brokerage crackdown to make more than \$100 million in profit from options trades, an electronic-trading firm alleged in a lawsuit. **B3**

◆ **Ford is recalling** more than 740,000 vehicles because of a transmission and parking system issue. **B3**

◆ **J Sainsbury backed** its full-year guidance, but warned the impact of the Middle East conflict is uncertain. **B3**

◆ **Nike recorded** another sales decline in the latest quarter as it continued to hit hurdles with weakness in China. **B2**

◆ **Dish DBS**, the satellite pay-TV provider under Charlie Ergen's EchoStar broadcast empire, filed for bankruptcy after a deal to sell spectrum to AT&T was held up. **B3**

### Worldwide

◆ **The Supreme Court** struck down Trump's attempt to curtail birthright citizenship, a rejection of his most aggressive crackdown on illegal immigration. **A1**

◆ **The justices rejected** federal limits on how much money political parties can spend in coordination with candidates for public office. **A6**

◆ **The court also ruled** that states can ban transgender women and girls from playing on female sports teams. **A7**

◆ **Trump's forays** into cryptocurrency delivered him a windfall of more than \$1 billion last year, according to his latest financial disclosure report, an unprecedented surge in income. **A1**

◆ **The Trump administration** and Anthropic reached an agreement to restore access to Fable, the company's most recent general-access artificial-intelligence model. **A3**

◆ **Warren Buffett** is skipping his usual midyear donation to the Gates Foundation until seeing findings of a review into the foundation's ties to Jeffrey Epstein. **A2**

◆ **GOP Rep. Tom Kean Jr.**, who was absent from the Capitol for nearly four months, disclosed that he had been diagnosed with depression. **A4**

◆ **A power struggle** between civilian leaders and hard-line military officials inside Tehran is threatening U.S.-Iran peace talks, officials familiar with the negotiations say. **A8**

◆ **Trump has weighed** a return to all-out war with Iran but decided to stick with diplomatic talks, according to senior U.S. officials familiar with the discussions. **A8**

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# Court Upholds Birthright Citizenship

### Justices, 6-3, rebuff Trump's effort to curtail who can claim to be an American

By JAMES ROMOSER

WASHINGTON—The Supreme Court on Tuesday struck down President Trump's attempt to curtail birthright citizenship, rejecting an audacious anti-immigration initiative to reinterpret the constitutional

principle that almost everyone born on U.S. soil is a citizen.

The decision, written by Chief Justice John Roberts, said the longstanding guarantee of citizenship was deeply rooted in the nation's history, even before it was enshrined in the Constitution in 1868.

"Citizenship, then and now, was the right to have rights—to freely participate in our political community," Roberts wrote. "The Framers of the Fourteenth Amendment extended that promise to every free-born person in

### Key Rulings

- ◆ Justices loosen limits on political spending..... A6
- ◆ Court allows states to ban transgender athletes..... A7

this land. We keep that promise today."

Six justices—Roberts and two other conservatives, and three liberals—ruled against the Republican president, though only five did so on constitutional grounds. The court's three most conserva-

tive justices dissented.

The case challenged an executive order that Trump issued on the first day of his second term. It posited that future children born in the U.S. wouldn't be considered citizens if their parents were living in the country illegally or were visiting the country on temporary visas.

The executive order never took effect. It was quickly blocked by multiple lower courts because it appeared to conflict with the 14th Amendment, which states that "all

persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States."

The order also seemed to contravene an 1898 Supreme Court decision that confirmed that U.S.-born children of immigrant parents are entitled to U.S. citizenship.

The Trump administration appealed the lower-court rulings, contending that the 14th Amendment's citizenship provision had been misunderstood. *Please turn to page A6*

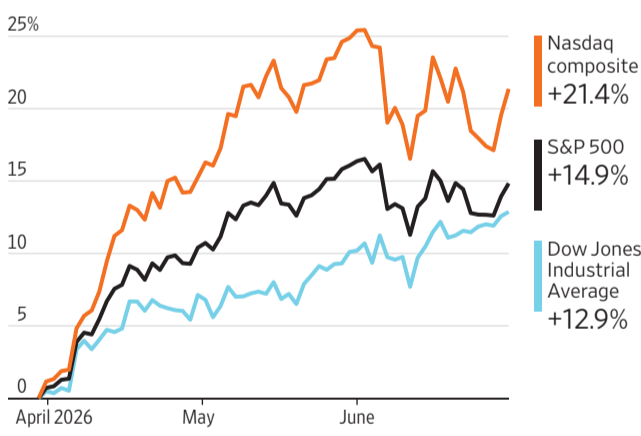
## Russia's Fuel Shortages Pressure Putin



**LONG WAIT:** Motorists line up Tuesday at a gasoline station in Moscow. A relentless Ukrainian drone campaign targeting oil refineries has brought the war home for ordinary Russians, posing a new political challenge for President Vladimir Putin. **A9**

## S&P, Nasdaq Post Best Quarter Since 2020

Index performance in the second quarter



Source: FactSet

By KRISTAL HUR

The S&P 500 and Nasdaq composite powered through a turbulent few months to log their best quarter since 2020.

The largest oil shock in history, worries about the longevity of the artificial-intelligence boom and the prospect of higher interest rates haven't derailed the records.

The market overcame those headwinds, fueled by highflying chip stocks that are the biggest AI winners of the moment, as well as confidence that U.S. companies will continue to churn out higher profits. Many

think those same forces could lift the major indexes for the rest of the year.

Thomas Carroll, equity strategist at Stifel, recently raised his price target for the S&P 500 to 7800, up around 4% from Tuesday's closing level.

But Carroll still expects more of the same volatility that has interrupted the market's overall climb. The S&P 500 has advanced or declined at least 1% during more than one-fourth of this year's trading sessions, according to Dow Jones Market Data. "It's going to be incredibly volatile, which makes our

*Please turn to page A2*

## JPMorgan Stokes Defense Industry

Dimon puts bank's own funds into national-security sector, pledges broad expansion

By ALEXANDER SAEEDY

On a tour of a Huntsville, Ala., missile factory last fall, JPMorgan Chase Chief Executive Jamie Dimon nodded along as L3Harris executives explained why they need help building more of the expensive rocket motors for badly needed Tomahawk and Terminal High Altitude Area Defense, or Thaad, missiles.

L3Harris relies on procurement from

the federal government, which can be stop-and-go, explained Ken Bedingfield, the company's chief financial officer. Without enough capital, L3Harris can't just build the motors at scale and have them on hand to sell later. The frustration comes as the U.S. faces a shortfall in weapon stocks, made even more dire since the war with Iran.

The discussion helped crystallize a broader idea Dimon had been pondering

about JPMorgan's role in national defense—and about his own legacy—people familiar with the matter said.

JPMorgan, the biggest bank in America, has long lent money to and advised the defense industry. Now Dimon would start investing the bank's own money—usually used for commercial and con-

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◆ Banks push for curbs on Finra..... B1

### The Expensive Accessory Every 'Hot Girl' Wants: An Old SUV

They're loud, jerky and financially draining. These women couldn't ask for anything more.

By CHAVIE LIEBER

Lucy Matthews drives a 1994 Jeep Wrangler that doesn't have air conditioning, roars as loud as a tractor and absolutely guzzles gasoline.

It's the car of her dreams. "Those EV cars, they'll run you over because you can't

even hear them," said Matthews, 28, who lives in Manchester, England, and bought her navy Jeep Wrangler YJ last month for about \$16,500.

She said that people look at her and think: *That's a cool girl, driving a cool car.* "And there's something fun about a car that's quite bouncy."

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Cachet for clunkers

## Old School Debt Keeps Seniors From Retiring

By OYIN ADEDOYIN

Chris and Carolyn McAuliffe are in their 60s but don't expect to retire anytime soon. They're still paying off their student-loan debt, which has ballooned to a half-million dollars.

"I regret going to college," said Chris, an engineer for a health insurance company.

When they earned their graduate degrees decades ago, the couple owed a combined \$114,000 in student loans. With stable careers—Carolyn

in nursing—they stayed on top of their monthly payments. Then they bought a house and had two children and money got tight, so they consolidated their loans and opted for a payment plan that lowered their monthly bill.

That extended the life of their loan, and compounding interest charges kept pushing up their balance.

Student loans are increasingly following Americans into their 60s and rewriting what they believed would be their *Please turn to page A4*

## Trump Made Over \$1 Billion On Crypto Businesses

By DAVID UBERTI AND VICKY GE HUANG

President Trump's forays into cryptocurrency delivered him a windfall of more than \$1 billion last year, according to his latest financial disclosure report, an unprecedented surge in income that came alongside earnings from royalty deals, real estate and legal settlements.

Trump and his family invested heavily in crypto businesses during the first year of his second term. That isn't just generating on-paper wealth but real-world profits.

The earnings last year included \$635 million in royalties through an entity linked to Trump's memecoin, which launched just days before his inauguration, and more than \$500 million in proceeds from token sales by World Liberty Financial, the Trumps' flagship crypto venture, according to the filing from the Office of Government Ethics.

The president tangled with many big companies and wound up earning at least \$86.5 million in legal settlements that were detailed in the disclosure. That includes a \$24.5 million haul from Meta and \$16 million apiece from Paramount and Disney. Trump was also active in the stock market, and his biggest holdings in the year included large-cap stalwarts such as Amazon, Meta, Nvidia and Tesla.

The Trumps operate a vast business empire whose interests stretch from hotels and golf resorts to brand licensing to drone companies. The first family has made crypto a particular focus, and the president has also advanced policies to lighten regulation of *Please turn to page A6*

### INSIDE



#### U.S. NEWS

Egg producers settle claims that they manipulated market to keep prices high. **A3**



#### SPORTS

The Argentinian taskmaster who got Team USA believing 'Why not us.' **A14**



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