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THE WALL STREET JOURNAL.

DOW JONES | News Corp * * * * * * MONDAY, AUGUST 10, 2026 ~ VOL. CCLXXXVIII NO. 34 WSJ.com ★★★★ $5.00

Last week: DJIA 54036.93 ▲ 1551.90 2.96% NASDAQ 26690.62 ▲ 5.2% STOXX 600 660.25 ▲ 1.7% 10-YR. TREASURY ▲ 21/32, yield 4.657% OIL $78.18 ▼ $6.49 EURO $1.1560 YEN 157.80

What's News

Business & Finance

◆ **Apple tested memory** chips from China's CXMT across product lines as the U.S. company addresses a memory crunch during the artificial-intelligence boom. **B1**

◆ **Strong earnings reports** from the U.S.'s largest companies that are powering major indexes to new highs are also easing some concerns that the recent rally is overly dependent on a handful of artificial-intelligence stocks. **A1**

◆ **Stocks are generating** a smaller share of their returns in dividend income, posing a challenge for those who lean on steady cash flows to cover daily expenses. **B1**

◆ **Private credit is** showing increasing signs of stress, despite comments to the contrary from some of the largest fund managers that are trying to put a year of turmoil behind them. **B1**

◆ **Berkshire Hathaway** in the second quarter repurchased its shares and bought more stocks than it sold for the first time in more than three years. **B3**

◆ **Big U.S. consumer-staple,** food and restaurant companies are enjoying substantial increases in overseas revenue, while domestic sales appear lackluster. **B3**

◆ **Taylor Farms** is removing certain products, including guacamoles and salsas from grocery shelves over concerns of salmonella contamination, weeks after it recalled lettuce implicated in a cyclospora outbreak. **A5**

Worldwide

◆ **Israel's Netanyahu** rejected Trump's plan for a permanent peace in Gaza, a rare public break with the U.S. leader who weeks ago hailed "a historic agreement" to disarm Hamas. **A1**

◆ **A top Iranian official** laid out a series of tough demands for opening the Strait of Hormuz and the U.A.E. said Iran launched a missile attack on one of its ships, darkening the outlook for a deal to open the strategic waterway. **A6**

◆ **Yemen's Houthis** attacked a crucial port on the Red Sea, further escalating the conflict over strategic bodies of water in the Middle East. **A10**

◆ **Will Scharf will become** the new White House counsel in September, the president ahead of the midterm elections and potential congressional investigations. **A3**

◆ **Joe Biden's cancer** has spread to "his bones and further," his son Hunter Biden told the BBC, offering a new window into the aging former president's condition. **A2**

◆ **The Senate on Saturday** narrowly confirmed Todd Blanche as attorney general after a battle focused on his willingness to bend the agency to Trump's political and financial interests. **A3**

◆ **Daniel Kinahan,** the suspected head of one the world's most feared crime syndicates, was extradited from Dubai to Ireland. **A11**

◆ **Died: Don Nelson,** 86, basketball Hall of Famer. **A5**

JOURNAL REPORT
Investing Monthly: What to know about cash-out refis. **B5-6**

CONTENTS

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Israel Steps Up Its Patrols in the West Bank

AFP VIA GETTY IMAGES

ON GUARD: Israeli soldiers patrolled a market in the old city of Nablus, in the northern West Bank, on Sunday, part of the force's broader military campaign targeting refugee camps in an effort to root out militant infrastructure.

Netanyahu Rejects Next Phase Of Trump's Gaza Peace Plan

Israeli leader spurns proposal calling for Hamas to disarm, withdrawal of troops

By Anat Peled

Israeli Prime Minister Benjamin Netanyahu rejected President Trump's plan to establish permanent peace in Gaza, a rare public break with the U.S. leader who weeks ago hailed "a historic agreement" to disarm Hamas.

The plan calls for the militant group to lay down arms in tandem with the gradual withdrawal of Israeli troops from the enclave, which the Israeli leader on Sunday said couldn't happen until Hamas was fully disarmed.

Netanyahu's decision, spelled out in a government meeting and video statement, risks angering Trump, with whom he has had fractious relations behind the scenes for months.

The collapse of the peace process in Gaza would rob Trump of what his administration has described as a major foreign-policy achievement of his second term as the president is embroiled in the Iran war.

Netanyahu, who has come under pressure from the Trump administration to agree to the deal to disarm Hamas, also faces uphill elections in the fall.

His hard-right coalition partners have vociferously objected to the terms of the agreement.

As well as the decommissioning of Hamas' weapons in exchange for phased Israeli withdrawal from Gaza, the plan includes the entry of an international stabilization force into the enclave and a Palestinian technocratic committee to assume governance of Gaza.

"Israel rejects the 15-point document. The IDF will not carry out any withdrawal until Hamas is disarmed. And when I say the disarmament of Hamas, I mean heavy weapons, less-heavy weapons, light weapons, all the weapons," Netanyahu said at the opening of an Israeli cabinet meeting, using

Please turn to page A6

Iranians Confound U.S. Exit Strategy

By Alexander Ward

WASHINGTON—For weeks, President Trump had been laying the groundwork to declare victory in the Iran war should Tehran fully reopen the Strait of Hormuz, even floating the idea privately to senior aides that he's willing to walk away without a nuclear deal, U.S. officials said.

But this scaled-back objective became more difficult when Iran insisted Saturday on its highest price yet from the U.S. for permitting the free flow of traffic in the waterway, seeking billions of dollars in payments, the removal of American troops from the region and an end of the naval blockade, among other things.

This rapid chain of events suggests Trump's options for walking away from the conflict have again narrowed. Trump has repeatedly threatened—and then backed away from—a massive escalation of its bombing campaign. But the recent chaos in negotiations signaled Tehran is prepared for a long and grinding conflict.

"Iran's recent hard-line demands for reopening the strait make it increasingly difficult for the president to manufacture a face-saving off-ramp from the conflict," said Mona Yacoubian, director of the Middle East program at the Center for Strategic and International Studies, a Washington think tank.

Gregory Brew, an Iran expert at the Eurasia Group consulting firm, said, "The Iranians fully believe Trump wants out and is focused on opening the strait, which is why they are playing hardball."

Hanging over diplomatic talks since April has been the White House's ultimatum that Iran will never obtain a nuclear weapon. Trump sought to include nuclear talks as part of broader negotiations with Iran, but those have proved too difficult, leading the White House in recent weeks to focus more on reopening the Strait of Hormuz.

Please turn to page A6

◆ **U.A.E. says Iran launched missile attack..................... A6**

Blowout Earnings Bolster Record Rally

Results have helped ease worries about AI spending, inflation, powering stocks

By Shradha Dinesh

Strong earnings reports from the U.S.'s largest companies are powering major indexes to new highs, easing some concerns that the recent rally is overly dependent on a handful of artificial-intelligence stocks.

Some concerns.

Among the more than 440 S&P 500 companies reporting second-quarter earnings so far, 86% have beaten analysts' estimates, according to FactSet data. Companies are reporting earnings that are around 29% higher than those estimates, on track for a record earnings surprise in data going back to 2008.

The S&P 500 is now headed for a seventh consecutive quarter of double-digit earnings growth. A run of upbeat reports from companies including Palantir Technologies, Caterpillar and Disney last week fueled a climb that carried stock indexes to their best weekly gains since April.

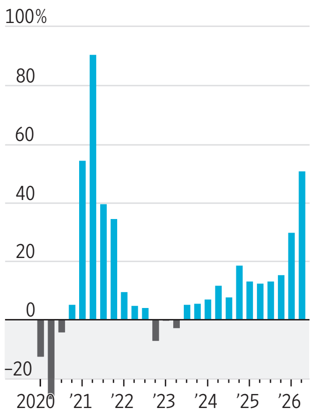
Investors still have plenty of volatility-fueling worries: the on-again, off-again Iran war and new questions about how the Federal Reserve will fight inflation. Many note that earnings growth remains heavily concentrated in energy and AI stocks, particularly skyrocketing profits at memory companies supplying the AI build-out.

But earnings season is reassuring many that a strong core of corporate profitability underpins the market's gains.

"These earnings are ridicu-

Please turn to page A2

S&P 500 earnings growth, quarterly



Note: Blended, current quarter is through June.
Source: FactSet

'Jury Duty' Scam Cost A Family $25,000

By Joe Barrett

TAMPA, Fla.—The sheriff's deputy chatted breezily over the phone about his three young daughters as Kimberly Fudge drove through gritty streets and lush Florida byways on a grim errand: gathering thousands of dollars in bail to avoid arrest for missing jury duty.

When Fudge, a 38-year-old manager in the finance department of a government contractor, reached the drop-off point, she balked. It was a convenience store with abandoned gas pumps and a cryptocurrency machine inside. She was told to scan a QR code and feed the machine $4,000 in cash.

Instead, she walked back to her car and began to voice doubts into her phone: "Are you sure this is where I'm supposed to post the bail?"

Please turn to page A2

INSIDE

PERSONAL JOURNAL
After her current tour ends, Ariana Grande will take a step back from the spotlight. **A12**

AL BELLO/GETTY IMAGES

SPORTS
The NBA's baffling new salary math shakes up rosters and confounds players. **A18**

Estate-Sale Shopping Turns Into Full-Contact Sport

* * *

Crowds line up at dawn and fight over unwanted belongings; 'a little dystopian'

By Grace Yoon

Rachel Stillman arrived at an estate sale and walked into a generational standoff.

Five men in their 20s, hunting for vintage tees to resell, were bickering with an older group over who had earned the first spot in line. When the doors of the west Philadelphia home opened after a three-hour stare-down, the resellers crowded around the organizer until she waved them inside.

They burst in, sweeping armfuls of clothes into large

Please turn to page A13

Kushner Deal Sparks Protests

Suspected gangster, allegations of stolen land hang over Albania resort plans

By Eliot Brown and Vladimir Karaj

ZVERNEC, Albania—Residents of this tiny coastal village were shocked two years ago when Jared Kushner posted renderings of a planned Mediterranean resort on a slim peninsula sandwiched by the sea and a lagoon where flamingoes flock.

The images were of a spit of land where their parents and grandparents once raised potatoes. The villagers contended the property was stolen from them in the 2000s by Artur Shehu—a suspected gangster who fled to Miami after a gunfight at his bar.

So they wrote a letter to Kushner saying they were locked in nearly two decades of court disputes with Shehu, urging the developers not to proceed. The site, they wrote, is "owned by the village and its residents."

Instead, a Kushner-backed development group pressed ahead and paid Shehu over $120 million for the land earlier this year. Two months later, Albanian prosecutors sought Shehu's arrest for allegedly playing a lead role in a sweeping international drug-smuggling operation.

Shehu laundered money through property—including the peninsula in Zvernec—that was stolen using techniques such as forged Ottoman-era land records, prosecutors said.

The controversy is the latest black eye for Kushner's foreign real-estate ambitions—one piece of the post-2020 business career he launched after the first Trump administration. While most of his investing has been out of his $6 billion private-equity fund backed by Gulf wealth funds, Kushner

Please turn to page A11