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THE WALL STREET JOURNAL.

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DJIA 53770.27 ▼ 21.58 0.04% NASDAQ 26588.49 ▲ 0.5% STOXX 600 659.48 ▼ 0.2% 10-YR. TREAS. yield 4.682% OIL $83.27 ▲ $0.07 GOLD $4,408.90 ▲ $25.90 EURO $1.1527 YEN 159.43

What's News

Business & Finance

◆ **The annual inflation** rate fell slightly to 3.4% in July, easing pressure on the Federal Reserve to raise interest rates next month. **A1, A2**

◆ **Major U.S. stock** indexes put up mild gains and losses in the wake of the report on consumer prices. The S&P 500 and Nasdaq rose 0.3% and 0.5%, respectively, and the Dow fell less than 0.1%. **B9**

◆ **A group led by** Bob Iger and Joshua Kushner agreed to buy a controlling interest in the Los Angeles Lakers from Mark Walter, who also owns the Los Angeles Dodgers and whose financial empire is the subject of a federal probe. **A1**

◆ **Paramount in recent** months has discussed creating an editorial board for CNN and other safeguards to ease concerns about its news operation's independence. **B1**

◆ **Bank of America said** it plans to inject $250 billion into an infrastructure endeavor that aims to increase U.S. investment in data centers, energy and critical minerals. **B1**

◆ **Goldman Sachs said** it would pay up to $2.25 billion to acquire NEOS Investments, a provider of actively managed exchange-traded funds with $30 billion in assets. **B1**

◆ **Apple is discussing** new deals with publishers to use their content to deliver current news and information, part of an effort to improve its Siri voice assistant. **B3**

◆ **Two media** organizations sued Trump over his namesake company's real-time feed of top Truth Social accounts, arguing that selling preferential access to the president's statements is unconstitutional. **B3**

Worldwide

◆ **Federal aviation** officials plan to move air-traffic control antennas and implement new procedures to avoid a repetition of last week's safety incident with Marine One near a busy Washington, D.C. airport. **A6**

◆ **David Crowley** narrowly won the Democratic nomination for governor in Wisconsin, defeating Democratic socialist Francesca Hong. **A4**

◆ **A former director** at the Southern Poverty Law Center was arrested and charged for allegedly overseeing secret payments to informants from white supremacist groups. **A3**

◆ **White House press** secretary Karoline Leavitt, one of President Trump's closest advisers, will step down at the end of the month. **A4**

◆ **Russian and Ukrainian** attacks on ships and port infrastructure in the Black Sea, a major route for the transport of grain, are putting other countries on edge. **A8**

◆ **U.S. troops and** armored vehicles fared poorly against Ukrainian drone units in a military exercise in Germany earlier this year. **A8**

◆ **Few ships are** crossing the Strait of Hormuz despite President Trump's claim on Wednesday that the U.S. has total control of the strategic waterway. **A8**

◆ **Crews rescued 211 people** and recovered the body of a passenger from a ferry that caught fire in rough seas near the Indonesian island of Bali. **A10**

◆ **Died: Zhu Rongji**, 97, former premier who drove China's economic overhaul. **A9**

CONTENTS

Eclipse Compels Millions to Turn to the Dark Side

CLOCKWISE FROM LEFT: CHRISTIAN HARTMANN/REUTERS; VACLAV SALEK/CTK/ZUMA PRESS; SUSANA VERA/REUTERS

LIGHTS OUT: A total solar eclipse was visible Wednesday in parts of the Arctic and Europe. Some of the best views were in Spain, from an observatory, left, and a portable planetarium, above right. Top right, a partial eclipse over the Czech Republic. **A7**

Inflation Cooled Slightly To 3.4% In July

Tame reading, aided by gasoline prices, gives Fed less cause to raise interest rates

By Matt Grossman

The annual inflation rate fell slightly to 3.4% in July, easing pressure on the Federal Reserve to raise interest rates next month.

Stop-and-start peace negotiations in the Middle East brought a respite for gasoline prices. And so-called core prices, which exclude the volatile food and energy categories, rose by 0.2% in July from the previous month, a relatively modest increase offering hope that broader price pressures could be abating.

Underlying inflation trends are especially decisive right now for the central bank, where policymakers are grappling with whether and when to raise interest rates. Wednesday's report might make the Fed more comfortable waiting to see if inflation keeps cooling on its own, rather than trying to tamp it down with rate increases.

"I've spent the morning trying to poke holes in this beautiful number, and I've mostly failed," said Tani Fukui, an economist at MetLife Investment Management.

The 3.4% reading from the Labor Department was lower than June's 3.5%.

Core prices rose by 2.5% over the past 12 months, down from 2.6% in the year through

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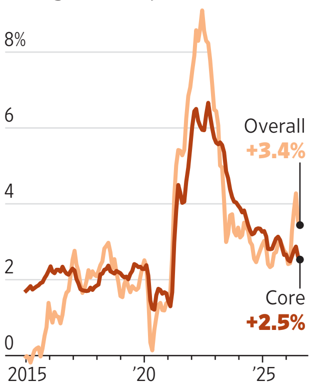
Consumer-price index, change from a year earlier



Note: Data for October 2025 are unavailable.
Core excludes food and energy prices.
Source: Labor Department

◆ **Inflation reading buys Fed more time** **A2**

Far Left Hits a Wall in the Midwest

Contests in Michigan and Wisconsin spotlight the limits of candidates

By Sabrina Rodriguez And John McCormick

MIDDLETON, Wis.—Democratic socialist Francesca Hong was expected to cruise to victory in Tuesday's gubernatorial primary in Wisconsin after months of grassroots organizing and polls consistently showing her with a double-digit lead over the field. Instead, she narrowly lost the nomination to a more mainstream Democrat in this battleground state.

In neighboring Michigan, progressive Abdul El-Sayed held a similar commanding lead in polls, only to eke out a win a week earlier over a centrist lawmaker by a single percentage point.

The ascendant far left is hitting turbulence in the Midwest where voters are showing that the big victories they have had in deep blue pockets of the country are much tougher to secure in purple areas. While progressives have been gaining ground in races across the country, the mixed results show that there are limits on the movement and its appeal outside of major cities. It also serves as the latest reminder that the continuing debate over the Democratic Party's identity is still raging.

"The Midwest is not Manhattan," said Charles Franklin, director of a Wisconsin state-

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◆ **Leftist surge stalls in Wisconsin** **A4**
◆ **Leavitt to step down as White House press secretary** **A4**

Investors Keep Over $3 Trillion Cash Pile On Sideline

By Miriam Gottfried

Since Don Ross retired as an airline pilot a decade ago, all the financial planners he has spoken with have wanted him to invest his cash. He isn't sold.

He is keeping 85% of his portfolio in stocks and the rest in a money-market fund yielding 3.62%. Ross looked at historical bear markets and determined they typically don't last longer than three years. He keeps enough of his portfolio in cash to comfortably get himself through that period, and he sells stocks when he needs to replenish his cash pile.

The financial planners have suggested bond funds, but to the 75-year-old, "there couldn't be a worse stream of income."

He is among the investors giving headaches to the money managers who want them to part ways with their cash. Individual investors are sitting on a mountain of it. There is over $3 trillion in retail money-market funds, hovering around a record high, according to the Investment Company Institute. (And that doesn't include the trillions of institutional dollars sitting in money-market funds.)

Assets flooded into these funds in 2022 when the Federal Reserve ended its policy of near-zero interest rates. Money-market yields rose above 5%. Rates have since fallen, but money-market funds, which now yield 3.49% on average, according to Crane Data, have retained their appeal.

Now wealth and asset managers, eager to prove their

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StubHub Customers Face Long Battles Over Refunds

Burned ticket holders complain of inferior replacement seats, ordeals to recoup money; stuck outside a World Cup game

By Hanna Krueger

Three hours before the U.S. played Paraguay in the World Cup in June, Ricky Zaragoza was standing outside SoFi Stadium in Inglewood, Calif., with his father and no tickets. He had waited for this day since March 2025, when he paid $2,162.90 for a pair of seats as a birthday gift for his dad.

Four days earlier, Zaragoza had called online ticketing platform StubHub to say his tickets still weren't in the FIFA app. The company promised replacements by noon the next day.

An anxious Zaragoza spoke with StubHub at least 10 times in calls that spanned nearly three hours in the days leading up to the game. Each time, he said, he was told not to worry.

At kickoff, Zaragoza was still without tickets. He approached the stadium's guest-ser-

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INSIDE

PERSONAL JOURNAL
Europe has a new passport system—and it's driving travelers crazy. **A11**

JASON GAY
The freaky tentacled 'alien' bait turning American fishing upside down. **A14**

Two Families, 12 Events, One Grand Prize: A Last Name

* * *

Who gets to pass down the family name? One couple settled it with an Olympics.

By Grace Yoon

James Fleming's wedding toast came with a twist. He wasn't just raising his glass—he was raising the stakes.

"Welcome to the first and last Schifferle versus Fleming Family Olympics, where we will be competing for one grand prize," he announced. "The winning family will determine the name of our future children."

Laughter rippled around the table. Then came the double takes.

"Is he serious?" the new in-laws whispered to one another.

Name game

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Iger and Kushner Set to Buy Lakers For $12.5 Billion

By Andrew Beaton

A group led by Bob Iger and Joshua Kushner have agreed to buy a controlling interest in the Los Angeles Lakers from Mark Walter, who also owns the Los Angeles Dodgers and whose financial empire is the subject of a federal probe.

Kushner and Iger are in agreement to buy a majority stake in the basketball franchise in a deal that values it at around $12.5 billion, according to people familiar with the deal, marking the highest-ever valuation for any sports team.

Walter bought the Lakers last year from the Buss family, which had owned the team since 1979 and maintained a minority stake. That deal valued the storied NBA team at $10 billion, a record price tag at the time.

"Owning the Los Angeles Lakers has been one of the great honors of my life. It has been an extraordinary investment, but what I will carry with me is the community, the fans, and a city that treats this team as family," Walter said in a statement. "The Lakers belong to Los Angeles, and I have every confidence the best is still ahead."

The decision by Walter to sell the Lakers to a firm backed by Kushner and Iger, the former Disney chief executive who is also an adviser to Kushner's Thrive Capital, is a stunning twist.

Walter, the 66-year-old CEO of Guggenheim Partners, is in the crosshairs of a federal investigation examining the inner workings of his financial empire. The investigation is looking into whether private-credit deals involving his companies constituted fraud. Walter's businesses have denied any wrongdoing.

Walter, who also owns the two-time defending World Series champion Los Angeles Dodgers and is an investor in English Premier League club Chelsea, bought a majority stake of the Lakers last June.

Even when Walter took

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