

THE WALL STREET JOURNAL.

What's News

Business & Finance

- ◆ **Financial stocks'** declines Tuesday held the S&P 500 roughly flat, while climbing chip shares lifted the Nasdaq 0.5% to a record. The Dow ticked 0.4% lower. **B11**
- ◆ **Traders on Kalshi** have made almost one million trades in a single market since August that were in nearly identical amounts, activity that caught the eyes of traders and federal regulators. **B11**
- ◆ **Western pharmaceutical** companies are urging the Trump administration to protect their ability to keep doing deals with Chinese companies for promising drug candidates. **B1**
- ◆ **Venture-capital firm** Andreessen Horowitz will spend \$35 million to back a two-year tech academy as an alternative to traditional college for students ages 16 to 22, a venture supported by other marquee names in tech. **B1**
- ◆ **Roche said an** obesity drug candidate met the main objectives of a mid-stage clinical trial by helping patients reduce their blood glucose and body weight. **B3**
- ◆ **DoorDash will pay** \$131.5 million to settle an investigation by New York City regulators into the company's compliance with pay laws for food-delivery workers. **B2**
- ◆ **Alibaba rolled out** its most powerful chip yet, doubling down on its bid to control the software and hardware that power its artificial-intelligence ambitions. **B4**
- ◆ **Khosla Ventures hired** a former OpenAI executive who helped create the infrastructure needed to run the AI models powering ChatGPT at scale. **B4**

Worldwide

- ◆ **Trump labeled himself** a man of peace while threatening to “annihilate” Iran and wield American power against other nations in a speech to the United Nations. **A1, A7**
- ◆ **Iranian flights** are being halted in several countries as part of a U.S. pressure campaign over the Strait of Hormuz, further squeezing the Islamic Republic. **A8**
- ◆ **Zelensky said he** has asked Trump for a new arms package to defend Ukraine from Russia and thinks the U.S. will pursue a deal to stop attacks on energy sites, in an interview with the WSJ. **A7**
- ◆ **When housing chief** Bill Pulte examined the mortgages of Trump's political adversaries last year, he also looked at those of Attorney General Todd Blanche. **A2**
- ◆ **A Republican senator** called for an investigation of Donald Trump Jr. after it became known that a Kremlin-connected businessman gave the president's son a lavish party as a wedding gift. **A4**
- ◆ **Trump said he is** considering restricting diesel exports in an effort to curb soaring fuel prices. **A2**
- ◆ **Vice President Vance's** task force is removing hundreds of thousands of enrollments from the Affordable Care Act's public exchanges. **A3**
- ◆ **Cornell proposed** a new tuition model and more diverse funding sources as higher education copes with disrupted federal support and rapid AI-led change. **A3**
- ◆ **The European Union** struck a free-trade agreement with the Philippines. **A9**

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President Trump told the U.N. he prefers peace but will wield U.S. power where he sees fit.

Trump Tells Iran To Strike a Deal Or Be Destroyed

President addresses U.N., weary voters with warnings of escalating the war

President Trump labeled himself a man of peace while threatening to “annihilate” Iran and wield American power against other nations, in a speech at the United Nations aimed in part at selling skeptical voters on his foreign-policy vision ahead of the midterm elections.

By Philip Wegmann, Alexander Ward and Vera Bergengruen

During his roughly 35-minute address Tuesday to the U.N. General Assembly, Trump argued that his forceful interventions had made the world a safer place.

“While others have talked, I have acted,” he said.

Even as he labeled himself a peacemaker, Trump warned other countries that he was

prepared to take military action, raising the possibility of escalating the monthslong war in Iran and hinting that his administration could soon bring “fundamental change in the situation in Cuba.”

In a demonstration of Trump's split-screen views on matters of war and peace, the U.S. president said the choice he faces in Iran was either striking a deal over its nuclear program or a full-on bombing campaign.

“Do I annihilate the Islamic Republic and do it quickly, never giving them a chance to kill and destroy people and countries again? Do I drive them into hell with no chance of survival and no hope of future greatness or generations?” Trump asked.

While Trump spoke to a room full of world leaders and foreign dignitaries, the real audience for his speech was the American public, which

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◆ **World leaders almost all agree: U.N. is failing..... A7**

Americans Face Cutoff From Cheap Canadian Medicines

By Xavier Martinez

Diamantina Cavazos, a 38-year-old Dallas-based project manager, has used an online Canadian pharmacy for two years to buy a prescription drug for around \$10 a week, a fraction of what it costs in the U.S.

As of next month, a loophole that allows her to personally import the medication, Xifaxan, for her painful gut condition, is closing.

She will have to pay \$1,100 a week for her prescription because she couldn't get it covered by her insurer in the U.S. “I'm extremely upset,” she said.

Cavazos is one of millions of Americans who use foreign mail-order pharmacies, mostly from Canada, to acquire affordable daily medications. They are facing an impending deadline that could abruptly cut off their prescription supply.

These patients are racing to stock up on medications before late October, when a rule goes into effect requiring medications mailed from abroad to go through a customs process requiring a licensed customs broker and a financial guarantee—a bar few individual mail-order prescriptions have ever had

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Xi Takes Aim at a ‘Rare Window’ To Undermine Taiwan Resistance

By Lingling Wei and Joyu Wang

In April, the leader of Taiwan's main opposition party traveled to mainland China for a red-carpet six-day tour, the first such visit in nearly a decade.

Officials treated Cheng Li-wun, chairwoman of the Kuomintang, or KMT, to high-level meetings and a Shanghai river cruise. The chairman of Meituan, one of China's biggest tech companies, gave Cheng a plush kangaroo, the corporate mascot. Capping it off, Cheng got an audience with Chinese leader Xi Jinping.

His hands were as “soft as

clouds,” Cheng said later.

What hasn't been revealed publicly: Months earlier, Chinese officials met with KMT negotiators to hammer out language Cheng would use during her trip. Cheng even shared advance copies of prepared remarks in which she made clear she opposed independence for Taiwan, to Xi's approval, people familiar with the matter said.

The visit set off alarm bells in Taiwan. It also revealed a new chapter in China's efforts to win control of the self-ruling island democracy, which it regards as part of its own territory—without ever firing a shot.

Even as China continues to

apply military pressure on the island, it is intensifying efforts to drive a wedge through Taiwanese society, courting opponents to formal Taiwanese independence such as Cheng, and sowing doubts about America's commitment to the island.

The goal: to convince more Taiwanese that resistance to Chinese control is futile.

Xi sees an opening because of rising concerns in Taiwan that President Trump might be willing to sacrifice support for the island in return for better relations with Beijing.

Trump has at times echoed Chinese talking points on Taiwan's government, and repeat-

edly accused Taiwan of having stolen the U.S. semiconductor industry, a charge Taipei rejects. He has also withheld approval on a \$14 billion arms sale to Taiwan, describing the package as a good bargaining chip in negotiations with China.

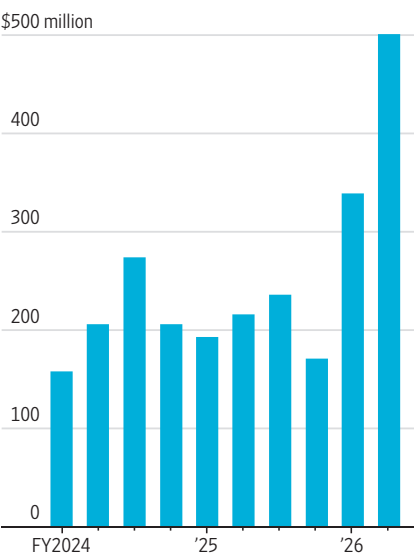
A recent Brookings Institution poll found that only 24% of Taiwanese voters consider the U.S. a trustworthy ally.

In some ways, U.S.-Taiwan ties have deepened. Taiwan has

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◆ **U.S., China wrangle over details of Xi visit..... A9**
◆ **CEOs from China aren't expected at meeting..... A9**

Gap quarterly net profit



Note: Latest fiscal quarter ended Aug. 1
Sources: S&P Capital IQ

Gap Joins Band

Gap is partnering with Just Your Type, known as JYT. The band's five members are embarking on a music tour performing at malls and will do meet-and-greets in Gap stores. The retailer is launching a clothing collection co-designed by the band and will co-produce a docuseries on it. **B1**

A Dearth of Rockets Vexes Space Industry

By Micah Maidenber and Becky Peterson

A rocket-supply crunch is prompting a scramble across the space industry.

Companies are hunting for new ways to get satellites and spacecraft deployed, while many rockets under development are behind schedule. Some executives are pursuing costly strategies to ensure they can fly, like building their own rockets or potentially acquiring a rocket company. Prices for many missions are rising.

Driving the squeeze: SpaceX is winding down Falcon 9, the world's busiest rocket, to focus on its new Starship vehicle. SpaceX has stopped selling missions where several companies share space on a Falcon 9, according to people familiar with the matter. Some companies haven't been able to secure flights on Falcon 9 after 2028, some of the people said.

The Falcon 9 phaseout is occurring with launch demand set to outstrip supply at least through the end of the decade,

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The Surf Spot With Epic Waves—and Rusty Metal Spikes

California's most dangerous surf break, the Wedge, is even scarier. Wave riders love it.

By Paul Kiernan

NEWPORT BEACH, Calif.—Roman Collins is used to navigating giant waves and unpredictable currents when he paddles his surfboard out near the inlet that bisects this ultrawealthy beach town. He's still getting to know the boulders, wooden pilings and shards of rusty metal.

Southern California's most dangerous surf spot, the Wedge, has become even sketchier in recent months.

Nonstop swells combined with a “super” El Niño phenomenon have washed away

truckloads of sand from Newport Beach and other parts of the California coast, exposing hazards buried a century ago. They've also delivered some of the best waves anyone here can remember.

“It's been great,” Collins, 21, said as he waxed his board atop a six-foot-high sand cliff that's edging ever closer to \$20 million oceanfront homes.

He tries not to think about the possibility of getting skewered on ancient rebar. “Good thoughts and good vibes,” he said.

The Wedge was created in

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How Ellison Ended Stalemate With States

By Jessica Toonkel and Eliza Collins

Earlier this month, there were few signs that California Attorney General Rob Bonta and Paramount Chief Executive David Ellison were moving any closer to resolving their differences.

Paramount and the coalition of states Bonta was leading in an antitrust suit seeking to block the company's \$81 billion merger with Warner Bros. Discovery were having on and off settlement negotiations, but little progress had been made, according to people close to the discussions.

The clock was ticking for Ellison. He had spent a year fighting for the merger and

was staring down the prospect of costly fees the company had agreed to in order to clinch the deal. Paramount would have to pay \$650 million a quarter to Warner shareholders, or \$7 million a day, starting Oct. 1 if the deal wasn't closed.

Bonta was under pressure, too. Paramount, the studio behind “The Godfather” and “Titanic,” had threatened to leave its home state, which would be an economic and symbolic blow to a city already suffering from a leaner Hollywood.

The company had held talks with officials in Tennessee, people familiar with the discussions said.

In conversations with the

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INSIDE



PERSONAL JOURNAL

High housing prices force first-time home buyers to learn to settle for less. **A11**

SPORTS

Injuries to starting quarterbacks are reshaping the NFL's playoff picture. **A14**