P2JW336000-5-A00100-16DDF61078D

THE WALL STREET JOURNAL.

DOW JONES | News Corp * * * * * TUESDAY, DECEMBER 2, 2025 ~ VOL. CCLXXXVI NO. 130 WSJ.com ★★★★ $5.00

DJIA 47289.33 ▼ 427.09 0.90% NASDAQ 23275.92 ▼ 0.4% STOXX 600 575.27 ▼ 0.2% 10-YR. TREAS. ▼ 20/32, yield 4.095% OIL $59.32 ▲ $0.77 GOLD $4,239.30 ▲ $21.00 EURO $1.1611 YEN 155.48

What's News

Business & Finance

◆ **Bitcoin declined** more than 6% in its biggest one-day drop since March, trading at $85,468 as of 4 p.m. Eastern time on Monday and down more than 30% from a peak above $126,000 in early October. **A1**

◆ **Shares of Strategy** decreased 3.25%, contributing to a slide that has erased nearly half the bitcoin-buying company's market capitalization this year. **B1**

◆ **Yields on government** debt climbed around the world after the Bank of Japan governor surprised investors by hinting at a potential interest-rate increase later this month. **B1**

◆ **Silver prices climbed** to records as expectations that the Fed will cut interest rates further this month and concerns over global supply tightness sparked a fresh rally. **B10**

◆ **Netflix has sweetened** its offer for Warner Bros. Discovery as it tries to outdo rival Paramount. **B1**

◆ **Barrick Mining is** considering spinning off its North American gold assets into a listed business. **B1**

◆ **Airbus identified a** quality issue with metal panels used to build its A320 family of aircraft days after the company warned that thousands of the jets required a software fix. **B3**

◆ **Apple is shaking up** its AI ranks, poaching a Microsoft executive and reorganizing after announcing the retirement of its top AI leader. **B4**

◆ **Costco sued the Trump** administration over tariffs in an effort to secure a full refund should the Supreme Court rule the duties illegal. **A2**

World-Wide

◆ **The White House** acknowledged that the U.S. military conducted a second strike on an alleged drug boat in the Caribbean in September, deepening questions about Hegseth's role in an operation that led to the killing of two survivors. **A1**

◆ **An appeals court ruled** that Alina Habba can't serve as the acting U.S. attorney in New Jersey, saying that the government maneuver that put her there was inadmissible. **A3**

◆ **Air travelers without** a REAL ID-compliant form of identification will be required to pay a $45 fee to pass through airport security starting on Feb. 1. **A3**

◆ **Sudan's military** government offered Russia what would be its first naval base in Africa and an unprecedented perch overlooking critical Red Sea trade routes. **A6**

◆ **Britain will spend** more on new medicines in exchange for avoiding tariffs on U.K. pharmaceutical exports to the U.S. **A2**

◆ **Trump urged voters** to cast a ballot for the Republican House candidate in a Tennessee special election that has become a tight race. **A4**

◆ **More than 800 people** remained missing after floods killed more than 1,000 people last week in Indonesia, Sri Lanka and Thailand. **A8**

◆ **New York City** will get three big casinos after a state commission awarded licenses to Mets owner Steve Cohen and two other operators. **A3**

◆ **A son of notorious** Mexican drug kingpin "El Chapo" pleaded guilty to U.S. drug-trafficking charges. **A4**

CONTENTS

Arts in Review	A12	Markets Digest	B7
Business & Finance	B2,6,11	Opinion	A13-15
Business News	B3	Personal Journal	A10-11
Crossword	A12	Sports	A16
Heard on Street	B11	Technology	B4
Markets	B10	U.S. News	A2-4
		World News	A6-8

Pope Leo Rallies Flock in Cradle of Christianity

HUSSEIN MALLA/ASSOCIATED PRESS

PRAYING HANDS: A group of nuns gleefully welcomed the pontiff—who is visiting the Middle East on a mission to rally the region's dwindling religious community he leads—as he arrived at the Catholic basilica of Harissa, Lebanon, on Monday. **A7**

Second Strike on Boat Draws Deeper Scrutiny of Hegseth

Pentagon chief authorized attack that killed survivors; he cites admiral's role

WASHINGTON—The White House said Monday that the U.S. military conducted two strikes on a boat in the Caribbean in September, deepening questions about Defense Secretary Pete Hegseth's role in an operation that led to the killing of two survivors.

By Michael R. Gordon, Lindsay Wise and Shelby Holliday

Adm. Frank "Mitch" Bradley, the head of Special Operations Command, was acting legally under authority to use lethal force granted by Hegseth in conducting multiple attacks on the boat, White House press secretary Karoline Leavitt said.

The White House defense of Hegseth came in response to a report in the Washington Post on Friday that he gave a spoken order to "kill them all" aboard the vessel. The first strike killed all but two of the 11 occupants before Bradley ordered a second missile strike, which killed the men, according to the Post.

A Defense Department official on Monday provided a similar account to The Wall Street Journal and said Hegseth was the "target engagement authority," the key figure who authorized the strike.

President Trump said Sunday that Hegseth told him that he didn't issue an order to kill all the people on board.

"Pete said he did not order the death of those two men," Trump told reporters during a flight to Washington from Florida. "And I believe him." But Trump later added, "I wouldn't have wanted that" in response to questions about whether he favored targeting survivors.

On Monday evening, Hegseth wrote in a social-media post that the Sept. 2 attacks were Bradley's decisions.

"Let's make one thing crystal clear: Admiral Mitch Bradley is an American hero, a true professional, and has my 100% support," Hegseth wrote. "I

Please turn to page A4

Crypto Selloff Worsens In Retreat From Risk

Bitcoin drops 6% as investors, feeling economic unease, unwind exposure

By Vicky Ge Huang

The rout in cryptocurrency is intensifying.

Bitcoin tumbled more than 6% on Monday, its biggest one-day drop since March. The world's largest digital currency traded at $85,468 as of 4 p.m. Eastern time and is down more than 30% from a peak above $126,000 set in early October.

The selloff has spilled into other digital coins, including ether and solana, and pulled down stocks tied to the crypto market such as exchange operator Coinbase Global and Strategy, Michael Saylor's bitcoin-accumulation company.

Bitcoin and other digital tokens have been caught up in a broader decline afflicting riskier trades across all markets. Unprofitable technology businesses, speculative shell companies and meme stocks have all fallen out of favor in recent months. Investors are dialing down their risk exposure as they turn more pessimistic about the market and the economy, said Patrick Horsman, chief investment officer at crypto-treasury firm BNB Plus.

"I think we could see bitcoin get all the way back to $60,000," Horsman said of bitcoin. "We don't think the pain

Please turn to page A9

◆ Firm acts to weather bitcoin storm........................ B1

Questions About NATO's Future Roil Europe

By Bertrand Benoit And David Luhnow

BERLIN—This week will bring a split screen that will reinforce growing doubts in Europe about the U.S. commitment to the alliance that has served as the bedrock of Western unity since the end of World War II.

On one side, White House special envoy Steve Witkoff will be in Moscow for the latest round of peace talks with the Kremlin over the Ukraine war. Witkoff, who has yet to visit Ukraine, is making his sixth trip to Moscow this year.

Meanwhile, Secretary of State Marco Rubio will be skipping a biannual gathering of NATO foreign ministers and sending a deputy in his place. The last time the U.S.'s top diplomat didn't show up at the event was 1999, when Washington's priorities are aligned with those of Europe.

His absence will be felt acutely, coming as it does in the middle of talks over ending the Ukraine war that have prompted many European leaders to question whether Washington's priorities are still aligned with those of Europe.

A leaked plan and transcripts of a call between Witkoff and a top Kremlin foreign-policy aide have left many with the impression that the Trump administration is more interested in improving ties and economic cooperation with Russia than defending the trans-Atlantic alliance.

Please turn to page A6

◆ Drones battle drones over Ukraine's skies.................. A6

INSIDE

JASON GAY

Ole Miss is right to bar Lane Kiffin from the sidelines after he jumped to LSU. **A16**

Stock Bets and Bitcoin Take Over the Military

Camaraderie, competition help troops accrue new wealth

By Konrad Putzier

Space Force Capt. Gordon McCulloh was sitting in a military propeller plane high in the calm, dark sky over New Mexico on a recent Wednesday night when his squadron's group chat blew up.

The squadron members—some on the ground, some in the air—were collecting data for electromagnetic warfare, but they also had money on their minds. Google's stock price had just shot up in after-hours trading.

Once McCulloh landed he saw the messages: One officer on the ground sent a screenshot of the news. "To the moon," another texted back.

It was shaping up to be a profitable day for McCulloh and his buddies.

The U.S. military may just be the world's most lethal investing club, and it's killing it in this bull market.

Servicemembers are making fortunes in tech stocks and bitcoin. They're trading tips

Please turn to page A9

Car Buyers Balk After Years of Prices Going Up

By Sharon Terlep

For years, it has seemed no sticker price was too high for American car buyers. Even as average new-car prices approached $50,000 this year, dealers fretted more over depleted inventories than losing customers to sticker shock.

Those days are coming to an end. Increasingly stretched consumers are starting to draw the line on what they will pay for a new car, according to dealers, analysts and industry data.

Car buyers are downsizing, buying used vehicles, taking on longer car loans and holding out for deals.

"People are asking, 'How can I afford this?' " said Robert Peltier, who owns dealerships in East Texas. He said traffic, while still solid, has slowed at his dealerships and more customers are gravitating toward less-costly cars such as the pint-size Chevrolet Trax. "There are people who are in debt and living paycheck to paycheck," he said.

For the U.S. auto industry, 2025 was supposed to be a banner year fueled by tax cuts and a deregulatory wave. Some analysts predicted a third straight annual sales increase as automakers, which had been hit hard by the coronavirus pandemic and semiconductor shortages, finally got their factories running full steam. Now forecasts predict muted or no growth for the year and more of the same in 2026.

Please turn to page A4

A Comedian Walks Into a Bar: Jim Gaffigan's 'Whiskey Journey'

* * *

The bourbon nerd is pouring his favorite fixation into his stand-up

By John Jurgensen

For three decades, Jim Gaffigan has been a famous purveyor of stand-up comedy for all ages. He's the dad of five. The activities skeptic. The food glutton.

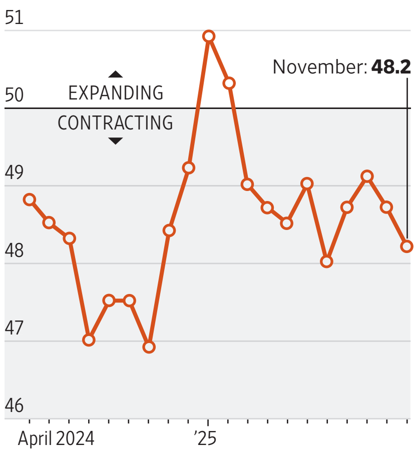
Then Mr. Hot Pockets turned to alcohol.

The comedian known for disparaging a frozen snack brand has a new batch of punchlines about liquor only. They even come with a half-serious disclaimer. "Ideally you should be 21 to hear these jokes," he says in the routine, "but in a perfect world we'd all be 21. Forever."

It's not technically a depar-

Please turn to page A11

ISM manufacturing purchasing managers' index



Source: Institute for Supply Management

Factory Output Slows

U.S. manufacturing activity contracted for the ninth consecutive month in November, a development that manufacturers attribute largely to President Trump's tariffs. The PMI for manufacturing was below the 50 score that divides contraction from expansion. **A2**