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What's News

Business & Finance

- ◆ **Kevin Warsh**, Trump's choice to lead the Fed, disclosed financial interests worth more than \$100 million, including stakes in SpaceX and Polymarket. **A1**
- ◆ **The U.S. stock market** continued to show great resilience, with the S&P 500, Nasdaq and Dow gaining 1.2%, 2% and 0.7%, respectively. **A1**
- ◆ **Wholesale inflation** reached its highest 12-month rate in three years last month as the oil shock lifted prices charged by businesses. **A2**
- ◆ **A prolonged Middle East conflict** could slash global growth to rates seen only in the deepest recent recessions, the IMF warned in its latest forecasts. **A2**
- ◆ **BlackRock's quarterly profit** soared 46% on a surge in investment fees from a year earlier and the firm ended March with \$13.89 trillion in assets under management. **B1**
- ◆ **Amazon.com is buying Globalstar**, seeking to build a business connecting consumer smartphones with satellite internet connections. **B3**
- ◆ **An NBCUniversal executive** called out Nielsen in a rare public critique by a major client after Nielsen put off an update that would have led to higher reported viewership numbers for broadcast and cable TV. **B4**
- ◆ **J&J reported nearly 10% revenue growth** for the latest quarter on strong cancer-drug sales that offset a decline in sales of its Stelara product. **B2**
- ◆ **Evergrande founder** Hui Ka Yan pleaded guilty to charges of financial misconduct and bribery, bringing the collapse of the property empire nearer to a conclusion. **B6**

Worldwide

- ◆ **The blockade of Iranian ports** on the Strait of Hormuz held up in its first 24 hours, the U.S. military said, and the top diplomat at the United Nations indicated that U.S.-Iran peace talks are likely to resume. **A1**
- ◆ **European countries are drafting a plan** for a coalition of nations to help free up shipping through the strait after hostilities cease and without U.S. participation. **A5**
- ◆ **A plan to ensure Europe can defend itself** using NATO's existing military structures if the U.S. pulls back is gaining traction after Germany agreed to it. **A1**
- ◆ **Ukraine and Germany began work** on plans for the joint production of advanced drones and other battle-tested defense systems. **A9**
- ◆ **Dr. Erica Schwartz** is expected to be selected by the Trump administration to lead the Centers for Disease Control and Prevention. **A4**
- ◆ **Two of U.S. Attorney Jeanine Pirro's deputies** were turned away from the construction site of the Fed's headquarters renovation because they hadn't been cleared. **A3**
- ◆ **A California woman** said she was raped by Rep. Eric Swalwell in 2018 and plans to make a report to law enforcement. **A4**
- ◆ **U.S. utilities are planning** an investment program to patch an aging power grid and meet rising electricity demand from providers of artificial intelligence. **A3**
- ◆ **The NAACP sued Elon Musk's xAI**, alleging the company's efforts to power AI are creating a health risk for local residents. **A3**

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Holocaust Survivors Gather to Bear Witness



NEVER FORGET: Survivor Nate Leipziger takes part in the March of the Living on Tuesday, Holocaust Remembrance Day, at the former Auschwitz II-Birkenau death camp in Poland. Organizers said 50 Holocaust survivors from around the world attended.

Europe Presses Fallback Plan If U.S. Retreats From NATO

Germany, once a skeptic, shifts toward new defense stance after Trump's moves

A fallback plan to ensure Europe can defend itself using NATO's existing military structures if the U.S. pulls back is gaining traction after

By *Bojan Pancevski in Berlin and Daniel Michaels in Brussels*

getting buy-in from Germany, a long-term opponent of a go-it-alone approach.

The officials working on the

plans, which some officials are referring to as "European NATO," are seeking to get more Europeans into the alliance's command-and-control roles and supplement U.S. military assets with their own.

The plans—advancing informally, through side discussions and over dinner meetings in and around NATO—aren't intended to rival the current alliance, participants said. European officials are aiming to preserve deterrence against Russia, operational continuity and nuclear credibility even if Washington withdraws forces from Europe or refuses to come to its defense, as President Trump has threatened.

The plans, first conceived

Oil bottleneck

- ◆ **Europe drafts postwar plan to free up Hormuz**..... **A5**
- ◆ **Greg Ip: Chokepoints beat tariffs in economic war**... **A6**
- ◆ **U.S. oil blockade set to lift exports and prices**..... **B12**

last year, underscore the depth of European anxiety over U.S. reliability. They accelerated after Trump threatened to seize Greenland from fellow NATO member Denmark, and are now gaining fresh urgency amid the standoff over Europe's refusal to back the U.S.'s war in Iran.

Crucially, a political reversal in Berlin is boosting momen-

tum. For decades, Germany resisted French-led calls for greater European sovereignty in its defense, preferring to keep the U.S. as the ultimate guarantor of European security. That is now changing under Chancellor Friedrich Merz of Germany because of concerns about the U.S.'s dependability as an ally during the Trump presidency and beyond, according to people familiar with his thinking.

The challenge is enormous. The North Atlantic Treaty Organization's entire structure is built around U.S. leadership at almost every level, from logistics and intelligence to the alliance's top military command.

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Iran Ports Are Quiet As Strait Blockade Holds Up

U.S., Tehran to renew talks, U.N. chief says; Israel, Lebanon plan direct negotiations

The blockade of Iranian ports on the Strait of Hormuz held up in its first 24 hours, the U.S. military said Tuesday, and the top diplomat at the United Nations indicated U.S.-Iran peace talks are likely to resume.

By *Jennifer Calfas, Lara Seligman and Summer Said*

On another front in the Middle East, Israel and Lebanon said they have agreed to launch direct negotiations for a comprehensive peace deal, following rare, face-to-face talks in Washington, D.C.

A meeting involving ambassadors from Israel and Lebanon was held Tuesday with the participation of Secretary of State Marco Rubio and the U.S. ambassador to Lebanon, a joint statement said.

Yechezkel Leiter, Israel's ambassador to the U.S., said after the meeting that Lebanon and Israel were on the same side. "We must uproot the evil of Hezbollah from the Land of Cedars. We are united in the need and ability to do so," he said.

Lebanese officials have previously said that the country's precondition for negotiations is a full cease-fire; Israel, though, is refusing to commit to that. Hezbollah chief Naim Qassem has called the discussions "pointless" and said just talking to Israel is a surrender.

A group of nations including the U.K., France and Australia, called on Tuesday for Lebanon to be included in regional de-escalation efforts and urged all parties to pursue a lasting political solution, warning the continued war risks undermining broader stability.

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Fed Chair Nominee's Holdings Surpass \$100 Million

By *Nick Timiraos and Matt Grossman*

Kevin Warsh, President Trump's choice to lead the Federal Reserve, disclosed a sprawling set of financial interests worth more than \$100 million, including stakes in Elon Musk's SpaceX and prediction-market firm Polymarket.

The extensive holdings underscore Warsh's ties to Wall Street and Silicon Valley through investments and advisory relationships. The filing, released by the Office of Government Ethics on Tuesday, also reflects new urgency to move his confirmation forward.

Later Tuesday, the Senate Banking Committee said it would hold Warsh's confirmation hearing next week, on April 21. Warsh still faces an obstacle to confirmation because some Senate Republicans said they wouldn't vote for any nominee until the Justice Department ends its probe of the current chair, Jerome Powell.

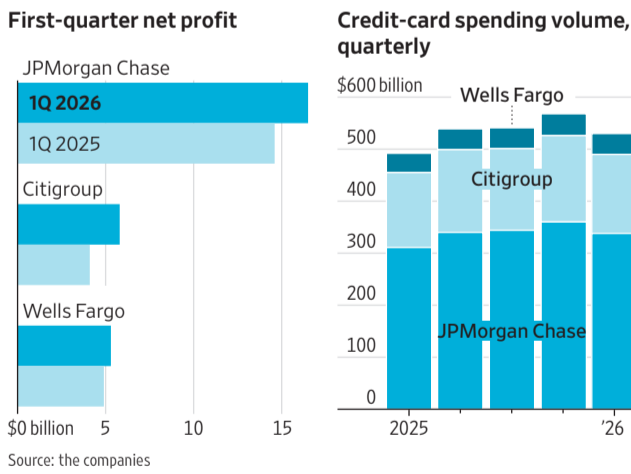
The Senate panel's chairman, Sen. Tim Scott (R., S.C.), said Tuesday in an interview with Fox Business that he expects that investigation will end within weeks, removing a

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◆ **Pirro deputies show up at Fed work site**..... **A3**

Trading Lifts Bank Earnings

JPMorgan Chase, Citigroup and Wells Fargo posted strong profits Tuesday for the quarter, fueled by robust trading revenue as the Iran war sent markets on a wild ride. **B1**



The Team-Building Exercise Where You Step on the Boss

Companies are ditching escape rooms for human tower workshops. It gets awkward.

By *Elena Vardon*

VILAFRANCA DEL PENEDES, Spain—When a Barcelona-based technology company took its employees for a team-building day in lieu of a Christmas dinner, they didn't know what awaited them.

"They didn't tell us where we were going; they just told us not to wear skirts, and nobody understood why we couldn't wear skirts," recalls Maria Fe Sambuceti Soto, a sales professional at Urbiotica.

She soon found herself standing on some-

one's shoulders, trusting her boss to catch her if she fell.

Companies are always looking for fresh ways to foster team spirit by swapping traditional icebreakers with activities like country-music songwriting. But even in this era of blurring professional boundaries, what's happening in the Spanish region of Catalonia is extreme.

Catalans have been erecting human towers—*castells*—to celebrate local festivities since the 18th century. The tradition languished through civil war, depression and dicta-



No picnic

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Markets Keep Rising Despite War's Costs

By *Jack Pitcher and Jared Mitovich*

The prospect of a peace deal that reopens the Strait of Hormuz had markets roaring back on Tuesday, powering the tech-heavy Nasdaq to its longest streak of daily gains in more than four years and pushing the broader S&P 500 to a near record.

The Nasdaq composite's 10-session ascent lifted the index 14%. The S&P 500 has erased its wartime losses and climbed 1.2% on Tuesday to within

0.2% of its Jan. 27 record.

Even though the world's most-important energy chokepoint remains closed, Wall Street found reason for optimism. Oil prices have retreated. Wall Street banks just posted blockbuster earnings. And CEOs are touting the strength of the U.S. economy. That combination has some investors thinking a strong earnings season could drive stocks

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◆ **Heard on the Street: Cheers for earnings season**..... **B12**

Sanders Is Back As Left's Kingmaker

Some progressives have won primaries. Will that translate to general elections?

By *Eliza Collins*

STANFORD, Calif.—A decade after his first bid for the White House ended in failure, Bernie Sanders is still trying to take over the Democratic Party.

The Vermont senator has pulled his colleagues dramatically leftward and is trying to position himself as the party's kingmaker.

He speaks at least once a week to Zohran Mamdani, an acolyte who pulled off a major upset to become mayor of New York City, where progres-

sive policies will now be tested on a population of roughly 8.5 million people.

Rep. Alexandria Ocasio-Cortez (D., N.Y.), another protégée, is considering a run for the White House or a bid to take Democratic leader Chuck Schumer's Senate seat when he is up for re-election in 2028. On whether she should challenge Schumer, Sanders said it's her decision but added, "I'm a big fan of Alexandria's."

Sanders, who is 84, has said he doesn't think he will run

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