

## What's News

### Business & Finance

- ◆ Investors' growing confidence that interest rates have peaked drove the Dow industrials to a record for the second-straight day, intensifying a debate about whether the rally stands to complicate the Federal Reserve's fight against inflation. **A1**
- ◆ The Dow industrials rose 0.4% to a high of 37,248.35, while the S&P 500 and Nasdaq advanced 0.3% and 0.2%, respectively. **B11**
- ◆ The ECB and the Bank of England held interest rates steady as rich countries' central banks begin to reposition themselves for a world in which inflation is under control. **A7**
- ◆ A surprise increase in November retail sales dispelled lingering pessimism about the economy and reinforced growing sentiment that the U.S. will beat inflation without paying the price in significantly weaker growth. **A3**
- ◆ Cruise laid off nearly a quarter of its workforce after a series of safety mishaps and permit suspensions at the self-driving-car business owned by GM. **B1**
- ◆ Nelson Peltz said he plans to nominate himself and former Walt Disney CFO Jay Rasulo to Disney's board, weeks after the company rebuffed Peltz's request to become a director. **B3**
- ◆ Costco posted higher profit in its fiscal first quarter as same-store sales held steady at the warehouse retail giant. **B3**
- ◆ Shares of Charles Schwab closed up 7% after the brokerage reported a jump in core net new assets in Europe. **B3**

### World-Wide

- ◆ National security adviser Jake Sullivan pressed Israeli leaders to shift from a reliance on airstrikes and ground assaults in Gaza to targeted military operations and warned that a protracted conflict would make the Palestinian territory harder to govern after the war. U.S. officials said. **A1, A5**
- ◆ The EU agreed to start membership talks with Ukraine, but couldn't reach an agreement during summit negotiations for a new \$54 billion package of budget support for Kyiv. **A1**
- ◆ The House passed annual legislation that designates top U.S. military priorities, overcoming grumbling from some Republicans who unsuccessfully sought to include policies to restrict abortion access and transgender healthcare for service members. **A4**
- ◆ Putin said Moscow wants to reach an agreement on the return of Wall Street Journal reporter Evan Gershkovich, who is in custody on an allegation of espionage that he, the Journal and Washington vehemently deny. **A6**
- ◆ A judge sentenced former FBI counterintelligence chief Charles McGonigle to more than four years in prison for violating U.S. sanctions by accepting secret payments from a Russian oligarch. **A3**
- ◆ Hong Kong's national security policy increased efforts to crack down on dissent overseas, offering bounties for activists in exile and arresting people suspected of helping them. **A8**

### JOURNAL REPORT

C-Suite Strategies: Microsoft tops the list of 2023's best-managed companies. **R1-16**

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## Putin Talks War, Deal for Prisoners



A screen in Moscow, above, shows Vladimir Putin on Thursday during his end-of-the-year news conference, where he vowed to press on with his war in Ukraine and said he wants to reach an agreement on the return of WSJ reporter Evan Gershkovich, right. **A6**

## EU Advances Ukraine's Bid To Join, but Aid Is Blocked

BRUSSELS—In a major political victory for embattled Ukrainian President Volodymyr Zelensky, the European Union agreed to start membership talks with the country ravaged by almost two years of war with Russia.

However, the bloc couldn't reach an agreement during summit talks for a new \$54 billion long-term package of budget support for Ukraine, EU leaders said in the early hours of Friday. Talks will resume in the new year.

The membership boost for Zelensky comes two days after he left Washington without pledges of fresh military support, which Ukraine urgently needs. Russian President Vladimir Putin on Thursday showed no wavering in his desire to defeat and control his

neighbor, and Russian forces continued battering Ukrainian civilian and military targets with missiles and drones.

EU negotiations will take years and could be derailed along the way. It is also unclear when talks on Ukraine's accession to the EU will start. They could be months away.

Yet the decision—taken despite opposition from Hungarian Prime Minister Viktor Orban—was seen as a

neighbor, and Russian forces continued battering Ukrainian civilian and military targets with missiles and drones.

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### INSIDE



**SPORTS**  
Chess probe finds Niemann cheated—but not against Carlsen. **A12**



**MANSSION**  
Homeowners turn to energy healers to elevate their spaces, cleanse bad vibes. **M1**

## Pfizer's Covid Gains Crumble After Vaccine, Drugs Flounder

Thousands of Pfizer employees from around the world were watching through their computer screens in October when Chief Executive Albert Bourla and other executives at the giant drugmaker stepped onto a stage for a company town hall.

Pfizer had announced several days earlier it was embarking on a \$3.5 billion cost-cutting effort, including layoffs. Bourla and the other executives explained the company was positioning for future growth.

"Future is bright...but you might get fired," one employee wrote in the video's chat room, which the company had left open. "Dumpster fires are [always] bright," read another message.

Not long ago, Pfizer was among the most-admired companies, having delivered in record time a vaccine that could protect against Covid-19, and then a drug to ward off bad infections. The products powered Pfizer's revenue past \$100 billion. Employee pride swelled.

This week the share price closed at its lowest since June 5, 2013, ending Thursday at \$26.13. That brought this year's drop to a stunning 49%, obliterating \$140 billion in market value.

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### Your (Good) Feedback Is Welcomed

Companies badger and beg; that low rating 'really hurt'

By HARRIET TONRY

Lucy Joseph's online search last year for lodging on the Adriatic coast led her to a youth hostel in Kotor, Montenegro, that stood out for having exceptionally high online ratings from thousands of satisfied customers.

"That should have been the first red flag," says the 23-year-old, a bit wiser now than before her trip. "All of them were five stars."

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### Mount Everest Is on Thin Ice

Rapid melting on the Khumbu Glacier made this year especially dangerous for climbers

By STACY MCGHEE, KRISHNA POKHAREL, CARL CURCIULLI AND PAOLO BOSONNI

Lhakpa Rita Sherpa was on the brink of a career-making climb. The 24-year-old had secured a spot on a team of climbers reopening the trail to the top of Mount Everest this year.

Before him stood the Khumbu Icefall, an obstacle course of towering shards and yawning crevasses that leads to the summit. Scaling this frozen waterfall for the first time would catapult him into the big leagues of Sherpas who ferry wealthy foreigners up the mountain for a living.

As Lhakpa Rita and dozens of other Sherpas set out on the morning of April 12, however, their surroundings were on the verge of collapse. A colossus of icy pinnacles that perennially defined the landscape had melted

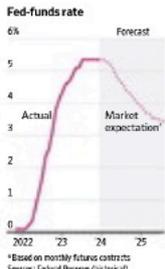


Dawa Nuru Sherpa and Sonam Tshering Sherpa prepare for a day of trail-setting.

## Market Rally Muddles Fight Over Inflation

Some investors worry economy is too strong to expect a series of rate cuts

By ERIC WALLERSTEIN



Investors' growing confidence that interest rates have peaked drove the Dow Jones Industrial Average to a record for the second straight day, intensifying debate about whether the rally stands to complicate the Federal Reserve's fight against inflation.

Stocks, bonds, oil and gold all climbed. The Dow's 0.4% advance extended Wednesday's 512-point rise, driving the blue-chip index to a record close of 37,248.35. The S&P 500 softened at its highest level since January 2022. The yield on the benchmark 10-year U.S. Treasury note, which falls when bond prices rise, dropped below 4% to settle at 3.929%, its lowest close since late July.

The surge began on Wednesday, after Federal Reserve officials unanimously voted to hold

rates steady and penciled in three quarter-point rate cuts next year. After investors were battered by the central bank's rate increases in 2022, the Fed's forecasts lifted hopes that the economy will slow just enough for rate cuts, but not enough to

**Please turn to page A2**

◆ ECB and BOE hold rates steady. **A7**

## U.S. Presses Israel To Wind Down War

WASHINGTON—President Biden's national security adviser pressed Israeli leaders to shift from a reliance on airstrikes and ground assaults in Gaza toward targeted military

operations and warned that a protracted conflict would make the Palestinian territory harder to govern after the war. U.S. officials said.

Jake Sullivan's meetings with Israeli political and military leaders Thursday seemed to have made little headway in addressing the growing rift between the U.S. and Israel over

operations and warned that a protracted conflict would make the Palestinian territory harder to govern after the war. U.S. officials said.

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**\$20 Million**  
Private equity  
exec buys an  
Encino spec  
home. **M2**

# MANSION

**Stained Glass**  
A look at the  
history of this  
rediscovered  
trend. **M10**



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THE WALL STREET JOURNAL.

Friday, December 15, 2023 | M1



Los Angeles-based energy stylist Colleen McCann, right, doing home-harmonizing work at the home of Brook Harvey-Taylor, left.

## Energy Healers Are the New Home-Repair Pros

Homeowners across the country are turning to gurus, shamans and other energy practitioners to cleanse bad vibes and elevate their spaces



BY JESSICA FLINT

**B**rook Harvey-Taylor felt creatively stuck. The CEO and founder of Pacifica skin-care and cosmetics company had moved into a Santa Barbara, Calif.-area estate in December 2022, and something was blocking her from decorating the five-bedroom, five-bathroom space. A year ago, the only furniture in the living room was two sofas. A year later, the living room still has only two sofas.

Then there was the matter of honoring the property, a 1980s vestige originally designed for a television producer by interior designer Michael Taylor, the godfather of the California look. Harvey-Taylor, 54, and her husband have a great reverence for the house—which has Ibiza finca-style overtones and a Mediterranean

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Brook Harvey-Taylor said she felt creatively stuck in her home near Santa Barbara, Calif. Colleen McCann, left, sprays the home with Paper Crane Apothecary Clean Slate gem-infused spray.

## Can This Penthouse Turn the Tide for L.A. Condos?

A new listing at the Century is looking to raise the bar for the city's condo market, which has lagged behind New York and Miami

Purchase price in 2015: \$22.5 million



Vicki Walters spent almost three years building out the unit, which has custom lace-and-cashmere draperies.

BY E.B. SOLOMON

**AN OPULENT PENTHOUSE** in Los Angeles is coming on the market for \$50 million, seeking to establish a new sales record in a metro area that has lagged behind in condo pricing.

In the L.A. area, the prices of single-family homes routinely eclipse those of the highest-priced condos, unlike New York, Miami and even Chicago where luxury condos have fetched record sums. The current condo sales record in the L.A. area was set in 2010, when Candy Spelling, widow of TV producer Aaron Spelling, paid \$34.8 million for a penthouse at the Century, a high-rise in Century City designed by Robert A.M. Stern Architects, records show. By comparison, the most expensive single-family home in the area was set earlier this year when Bo-

yoncé and Jay-Z paid about \$200 million for a mansion in Malibu. Meanwhile, the priciest condo sale in the Miami area was \$60 million, and in Chicago, \$58.75 million. Citadel's Ken Griffin was the buyer of both units, and he also paid a record \$238 million

**FOR SALE**  
**\$50 MILLION**  
9,400 sq. ft.,  
3 bedrooms,  
2 terraces

for New York's most expensive condo in 2019. The seller of the \$50 million L.A. penthouse is Vicki Walters, whose late husband Raul Walters was a real-estate developer who built and financed early Walmart stores, according to his company's website. Located at the Century, which was built around 2010, the roughly 9,400-square-foot condo has three bedrooms and two terraces, according to listing agent Bachir Ouaida of Douglas Elliman. The interior was designed by Matthew Boland of MMB Studios, and the full-floor unit comes with a

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## MANSION

## ANNOTATED ROOM

# A Tub With An Ocean View

A couple met their designer at the gym, and the collaboration on their bathroom really worked out

By VAISHINAVI NAYL TALAWADEKAR

**FOR ONE** California couple, a financial consultant and an endocrinologist, both in their late 40s, a visit to the gym in the summer of 2020 yielded more than just a satisfying workout. Somewhere between the barbells and the bench press, they became acquainted with interior designer Christine Vroom and her Los Angeles-based interior-design studio.

"We became friendly and they mentioned they were rebuilding their house. It was a perfect match," says Vroom of the couple, who paid \$2 million for the rebuild of their 5,000-square-foot home in Palos Verdes Estates, Calif.

The couple had a clear vision for the home: a large, open floor plan and a focus on the coastal views. "As they are both from Germany, we incorporated elements

that honored their heritage and love of Europe. They wanted the home to reflect who they are and how they live their lives, while making it comfortable for their two daughters," says Vroom. While the brief encompassed the entire home, there was a specific emphasis on the bathroom, which the couple imagined as a retreat amid their busy lives.

To conjure a sense of calm, Vroom selected natural materials and textures, and visually enhanced the height of the bathroom by opting for a steam unit and recessed rain shower that reached the ceiling. She suggested a similarly soothing approach with the floor and walls, enhancing the floor in wood tile and pebble inlay, and the walls in wood-toned ceramic tile. "It makes you feel like you're in a nature-inspired spa somewhere in Spain," says Vroom.

**1.** The centerpiece bathtub from Native Trails Home is the bathroom's tour de force. "It's not only gorgeous, but stands out as the focal point since everything else is so calm and neutral," says Vroom. **Price:** \$8,000

**2.** "The chandelier almost got mixed because it was so dramatic. I did some easy convincing to let things come together, and the clients really trusted me to allow

the fixture to speak," says Vroom of the Regina Andrews luminaires. "The glass reflects the light in the daytime and nighttime. It's magical," says the wife. **Price:** \$2,375

**3.** A bronze faucet by Newport Brass cuts a bold contrast against the muted walls. **Price:** \$1,000

**4.** Clear windows in sable frames offer unfettered vistas of the ocean.

**Price:** \$20,000, including labor

**5.** The stool was handmade by local craftsman Tim McFarland. "It's a really special piece because it is one of the first woven stools he has ever made. The clients needed somewhere to set things down, but not have it feel too modern or large. This little beauty was the perfect answer," says Vroom. **Price:** \$2,000

