

# WSJ

THE WALL STREET JOURNAL WEEKEND



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## What's News

### Business & Finance

- ◆ **Boeing is exploring** a sale of its storied NASA business, including the troubled Starliner space vehicle and operations that support the International Space Station, according to people familiar with the matter. **A1**
- ◆ **U.S. consumer confidence** unexpectedly ticked higher in October to its highest reading since April and about 40% above its June 2022 recent low point. **A2**
- ◆ **The Nasdaq rose** 0.6% Friday to post a weekly gain, but the S&P 500 edged less than 0.1% lower and the Dow shed 0.6%, snapping six-week winning streaks. **B11**
- ◆ **Mercedes-Benz's net profit** halved in the third quarter as a tough economic backdrop and fierce competition in China hit earnings. **B10**
- ◆ **Rémy Cointreau said** it expected sales to continue to plunge in fiscal 2025 amid uncertainty about a recovery in the U.S. and worsening market conditions in China. **B10**
- ◆ **Norwegian Air Shuttle** tempered its fleet growth expectations for next year because of the strike at Boeing. **B10**
- ◆ **Electrolux shares fell** sharply after the company reported third-quarter profit that missed analysts' expectations on continued weakness in North America. **B11**

### World-Wide

- ◆ **Israel struck back** at Iran, delivering a response to this month's 180-missile attack and further expanding hostilities that have spiraled out of the war in Gaza. Israel said it was attacking military targets. **A1**
- ◆ **The federal government** is investigating cryptocurrency company Tether for possible violations of sanctions and anti-money-laundering rules, according to people familiar with the matter. **A1**
- ◆ **Elon Musk**, the world's richest man and a linchpin of U.S. space efforts, has been in regular contact with Russia's Putin since late 2022. **A1, A9**
- ◆ **Chinese hackers have used** their deep access into networks of U.S. telecoms to target the phones of Trump, Vance and people affiliated with Harris's presidential campaign, according to people familiar with the matter. **A1**
- ◆ **The Biden administration** believes that some North Korean troops are on their way to Russia's Kursk region to help Moscow fend off Ukrainian forces. **A6**
- ◆ **Ukrainian officials** and some of their Western backers increasingly see long-range drone attacks as a game-changer that could force Putin into peace talks. **A6**
- ◆ **Tropical Storm Trami** killed at least 82 people in the Philippines. **A7**
- ◆ **Died: Phil Lesh**, bassist for the Grateful Dead, 84. **A2**

### NOONAN

The U.S. can take a tough election **A13**

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# Israel Strikes Iran, Expanding War

Explosions reported near Tehran amid fears of growing Mideast conflict

Israel struck back at Iran early Saturday, delivering a much-threatened response for this month's 180-missile attack and further expanding the hostilities that have spiraled out of the war in Gaza. Israel said it was attacking

military targets but didn't specify them. Iranian state media reported explosions near the capital, Tehran. It wasn't immediately clear what had been hit.

Iran had threatened to retaliate forcibly if its nuclear or oil infrastructure were struck. The U.S. had urged Israel not to hit those targets, and governments around the world had cautioned against further escalation amid concerns the violence could spin out of control.

By Michael R. Gordon, Lara Seligman and Carrie Keller-Lynn

"From what we know now, this is the best-case scenario in terms of keeping this round contained, given Israel seems to have limited its strikes to military targets rather than nuclear or oil infrastructure," said Dalia Dassa Kaye, a senior political scientist at the University of California, Los Angeles, and former director of the Center for Middle East Public Policy at the RAND Corporation. "This gives Iran an exit ramp if it's looking for one. But we're still in a different place, because Israel and Iran are now in a direct and open conflict."

The U.S. was informed by Israel hours ahead of the attack and didn't participate, U.S. officials said. Prime Minister Benjamin Netanyahu discussed Israel's plans for the strike with President Biden in a call earlier this month, a U.S. official said. After the attack began, Defense Secretary Lloyd Austin spoke briefly by phone with Israeli Defense Minister Yoav Gallant, U.S. officials said.

A woman in central Tehran told The Wall Street Journal that she woke to the sound of continuous explosions Saturday. "My heart is jumping out of my chest," she said.

Iranian air defense authorities said they shot down several Israeli drones. *Please turn to page A6*

## As Texas Votes, Candidates Stage Dueling Events



**TWO-STEP:** People cast ballots during early voting Friday in Houston. Donald Trump spoke on border security in Austin and taped an interview with podcaster Joe Rogan, while superstar Beyoncé joined Kamala Harris at a Houston rally. **A4, A5**

## Crypto Platform Tether Is Probed By U.S.

The federal government is investigating cryptocurrency company Tether for possible violations of sanctions and anti-money-laundering rules, according to people familiar with the matter.

By Angus Berwick, Vivian Salama and Ben Foldy

The criminal investigation, run by prosecutors at the Manhattan U.S. attorney's office, is looking at whether the cryptocurrency has been used by third parties to fund illegal activities such as the drug trade, terrorism and hacking—or launder the proceeds generated by them.

The Treasury Department, meanwhile, has been considering sanctioning Tether because of its cryptocurrency's widespread use by individuals and groups sanctioned by the U.S., including the terrorist group Hamas and Russian arms dealers. Sanctions against Tether would generally prohibit Americans from doing business with the company.

Tether and its cryptocurrency, also called tether, have been a matter of growing concern for federal regulators and law enforcement. Unlike more volatile cryptocurrencies, tether's value is pegged to the dollar, making it an ideal substitute in places where use of the U.S. currency has been restricted. *Please turn to page A2*

## Musk Held Secret Discussions With Putin Since Late 2022

Elon Musk, the world's richest man and a linchpin of U.S. space efforts, has been in regular contact with Russian President Vladimir Putin since late 2022.

The discussions, confirmed by several current and former U.S., European and Russian officials, touch on personal topics, business and geopolitical tensions.

By Thomas Grove, Warren P. Strobel, Aruna Viswanatha, Gordon Lubold and Sam Schechner

At one point, Putin asked the billionaire to avoid activating his Starlink satellite internet service over Taiwan as a favor to Chinese leader Xi Jinping, said two people briefed on the request.

Musk has emerged this year as a crucial supporter of Donald Trump's election campaign, and could find a role in a Trump administration should he win. While the U.S. and its allies have isolated Putin in recent years, Musk's dialogue could signal reengagement with the Russian leader, and reinforce Trump's expressed desire to cut a deal over major fault lines such as the war in Ukraine.

At the same time, the contacts also raise potential national-security concerns among some in the current administration, given Putin's role as one of the world's most powerful leaders. *Please turn to page A9*

◆ **NASA head calls for investigation**..... **A9**

## Boeing Explores Exit From Space Projects

By Sharon Terlep and Micah Maidenberg

Boeing helped put the first man on the moon. Now it wants to get out of the space race.

The beleaguered company is exploring a sale of its storied NASA business, including the troubled Starliner space vehicle and operations that support the International Space

Station, according to people familiar with the matter.

The effort, part of a strategy by Boeing's new chief executive officer, Kelly Ortberg, to streamline the company and stem its financial losses, is at an early stage and might not result in a deal.

Boeing faces a deepening financial crisis. Its largest labor union has rejected two proposals for a new contract. *Please turn to page A2*

## EXCHANGE



### OFF COURSE

What went wrong at Boeing, and how it can fix it. **B1**

## Chinese Hackers Target Trump, Vance, Harris Campaign

WASHINGTON—The Chinese hackers who burrowed into the networks of U.S. telecommunications firms have used their deep access to target the phones of former President Donald Trump, his running mate, JD Vance, and people affiliated with Vice President Kamala Harris's presidential campaign, according to people familiar with the matter.

By Dustin Volz, Aruna Viswanatha and Sarah Krouse

It wasn't clear what data the hackers were able to obtain from any of these devices. The hackers are believed to be tied to China's intelligence services.

Investigators have notified a bipartisan group of politicians targeted by the hackers, some of the people said. A number of prominent Democrats in Congress were among

the targets, including staff for Senate Majority Leader Chuck Schumer (D., N.Y.), a Democratic aide said.

The known scope of the attack has grown substantially in recent weeks as the investigation has progressed, the people said. Investigators now believe that the hackers gained access to U.S. telecommunications infrastructure and targeted or compromised at least several dozen different companies and people.

The hackers have shown unusually aggressive tactics since being discovered last month, disturbing the federal and private-sector investigators working to address the cyber-espionage campaign. The hackers have attempted to re-enter patched systems after being ejected from them, the people said.

Investigators also discovered earlier this month that the state-aligned actor had uncracked a code used by the hackers. *Please turn to page A5*

## Australians Are Spooked by American-Style Halloween

Nation wrestles with holiday: 'I never understood the trick-or-treating'

By Mike Cherney

Every year, Paul Burgess turns his suburban home in Australia's tropical north into a haunted house for Halloween. He's got animatronic witches. Gigantic skeletons. And a headless horseman.

One of his neighbors, Helen Jenkins, isn't sure what all the fuss is about. She thought Halloween was an American thing.

"I never understood the trick-or-treating," the 74-year-old retiree said.

For many years, Halloween celebrations in Australia were as invisible as ghosts and phantoms. Now, the Halloween industrial complex has finally arrived to go trick-or-treating. The Down Under—and is sparking

a debate over whether it's all too American.

Burgess, 50, isn't fazed by the American feel. He didn't do anything for Halloween as a child, but started celebrating when his son, now a teenager, wanted to go trick-or-treating. The *Please turn to page A8*



American spirit?