

What's News

Business & Finance

◆ **Retailers are bracing for a wave of post-holiday merchandise returns, with estimates projecting that U.S. consumers will send back \$173 billion of goods between Thanksgiving and the end of January. **A1****

◆ **U.S. retail sales rose 0.3% from Nov. 1 through Dec. 24, according to Mastercard SpendingPulse, which measures in-store and online sales, reflecting a year marked by higher prices and strong U.S. job market. **A2****

◆ **Major U.S. stock indexes advanced to start the holiday-shortened trading week, with the S&P 500 and Dow both gaining 0.4% and the Nasdaq rising 0.5%. **B9****

◆ **Investors piled into far-flung corners of global markets in 2023, driving a rally spanning stocks, bonds, gold and cryptocurrencies. **B1****

◆ **Apple appealed a decision by a federal trade agency that forced it to stop selling two models of its smartwatches after the agency said Apple violated patents of a competitor. **B3****

◆ **Drug company Bristol-Myers Squibb struck a \$43 million deal to buy Raytheon in a bet on a re-emerging cancer drug technology. **B3****

◆ **AstraZeneca agreed to a transaction valued at \$12 billion, as part of AstraZeneca's efforts to grow its cell therapies business. **B3****

◆ **The companies that install and operate electric-vehicle charging networks are in the middle of a building boom, but their share prices are sputtering. **B1****

World-Wide

◆ **Iran has tripled production of nearly weapons-grade uranium in a move likely to deepen its confrontation with the West as Tehran has allied militaries to attack Israel and U.S. forces in the region. **A1****

◆ **Israel's war cabinet took an Egyptian proposal to end the war with Hamas to a wider group of ministers as domestic pressure grows to secure the release of hostages and as regional powers look for a solution to halt the fighting in Gaza. **AB****

◆ **Ukrainian forces struck a large Russian warship during an air raid on a base in occupied Crimea, dealing another blow to Moscow's Black Sea fleet. **A5****

◆ **Navalny resurfaced on social media a day after his associates confirmed the jailed Russian opposition leader was traced to a penal colony in the country's Far North almost three weeks after they lost contact with him. **A6****

◆ **The Billonaire Koch family and its network of donors are re-emerging presidential politics, opposing Trump and backing Nikki Haley in the 2024 Republican primary. **A4****

◆ **Trump, preparing for a potential second term, has been stocking an arsenal of protectionist trade measures filled primarily with new levies on imports from China and elsewhere. **A4****

◆ **China hit back at U.S. criticism of its human-rights record by imposing sanctions on Los Angeles data-analytics firm and two analysts involved in scoping the country's supply chain for abuses. **A5****

Boxing Day Hunt Rides On, but With



HOOPS AND WOOPS: The Old Surrey Burstow and West Kent Boxing Day event was held on Tuesday. With fox hunting banned since 2004, modified hunts take place using scented trails.

U.S. Struggles to Spy on Its Leading Espionage I

By WARREN P. STROBEL

WASHINGTON—Beijing's spytechs all but blinded the U.S. in China a decade ago when they systematically rounded up a network of Chinese agents working for the CIA. As many as two dozen assets providing information to the U.S. were executed or imprisoned, according to interviews with current and former U.S. officials. The gaps leave the U.S. with limited understanding of secret deliberations among Chinese leader Xi Jinping and his inner circle on key security issues such as Taiwan and other topics, the officials said.

"We have no real insight into leadership plans and intentions in China at all," said a former senior intelligence official who until recently read classified reporting on the CIA. Strengthening the human spy network targeted on China is one goal of a titanic, but mostly secret, shift at the CIA, and its sister U.S. spy agencies. It comes amid a larger transformation in U.S. security policy away from fighting in surges around the world and toward preparing for a possible "great power" conflict with China and Russia.

After two decades of hunting terrorists, the \$100 billion a-year U.S. intelligence community is retraining personnel to focus on the "great power" competition. The pivot hasn't been simple. Hamas's surprise Oct. 7 attack on Israel and the ensuing war in Gaza, and Russia's

PERSONAL JOURNAL.

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THE WALL STREET JOURNAL.

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Tips to Control Overspending

Financial advisers say you first need to sort out where inflation ends and lifestyle creep begins

By JULIA CARPENTER

Anyone trying to figure out why they're scraping by at the end of the year could safely pin part of the blame on inflation. Higher prices have made it easier than ever to miss that other sneaky cause of overspending: lifestyle creep.

People tend to increase spending near the end of the year, and especially as their income grows. We gradually accumulate new expenses, adding pricey new products to the bathroom cabinet or clicking subscribe on new streaming services. Occasional indulgences such as bar cocktails or deluxe takeout become routine—almost because we think we can afford to treat ourselves.

Then suddenly, we feel at a loss when there isn't more left at the end of the month.

If you want to rein in your spending in 2024, financial advisers say you first need to sort out where inflation ends and lifestyle creep begins. It is easy to place too much blame for overspending

on inflation and a postpandemic fear of missing out and not enough on everything else, financial advisers said.

"Some of it is just economics, but some of it is just keeping up with the Joneses," said Joseph Reinke, financial analyst and founder of FIBUX, a financial-software company.

Differentiating cost-of-living increases from wanton spending requires two things, said Charlotte Geleka, managing partner at Silver Penny Financial Planning, a financial-services firm: a revamped budgeting strategy, and a long, hard look in the mirror.

Samir Baile, a 37-year-old pharmacist in Washington, said it can be exasperating trying to figure out where the extra money went.

"I thought he was doing everything he could to fight lifestyle creep. As a homeowner, he doesn't have to worry about ever-increasing rents. And he has advanced in his career as a pharmacist and is making a good living."

"When you look at your credit-card statement at the end of the month or the week, you're like, 'Yo, what do I have to show for this? \$2,000?'" Baile said. "I feel myself in this postpandemic lifestyle, slipping. If my mother knew, she would have a heart attack."

In analyzing his own credit-card statements, Baile said he has noticed the biggest shift in spending is on hitting the town with

friends. Once a beer after work felt indulgent, but now ordering two cocktails and a plate of appetizers to share has become his norm—almost before he and his friends decide which restaurant to try for dinner.

"It is almost as if when you do go out, you're going to go hard," he said. "You're not in-between."

Is it an investment?

There are good reasons to step up your spending. Buying a more expensive lifestyle can be a means to project identity to a certain class or social group, said Ori Heffetz, an associate professor of economics at Cornell University who studies consumer behavior. It is an investment in appearances, he said, but it isn't always one that will pay off.

"They say, 'Dress like your best self,' or 'Dress like your best self,'" he said.

The trouble is the markers of wealth that can be purchased only tell part of the story. The invisible signs of success—savings and investment—remain opaque to the lifestyle creper.

"You don't know what I have in

the bank, but you see what car I drive," he said. "That is a big source of distortion."

But that investment comes at a cost if you are passed over for a promotion or stuck in your same income bracket, cutting back on your spending is only going to feel that much harder.

Make a backward budget

Undo some of the effects of lifestyle creep with the backward budget, said Geleka, the adviser at Silver Penny Financial. The end of the year is the perfect time to reassess because you have 12 months' worth of data at hand.

This means analyzing a year of bank statements and stripping out all the nonessential items like streaming subscriptions or vacation flights to nail down the sum of your essential expenses.

Once you have that number—likely the total of housing, transportation and grocery costs, along with insurance or other expenses unique to your household—you can compare it with what you spent previously.

Start with which expenses you can attribute to either inflation or lifestyle creep. Forking over more money to the electricity utility is one thing; spending more on rent because you moved from a modest apartment to a two-story loft is another.

From there, look at the expenses making up that other bucket of nonessentials: Have your streaming services quadrupled in price during the past year, or did you sign up for more of them? What did you spend on dining out in one month compared with the previous month?

"It is simple, but it's by no means easy, and I think people don't want to know the truth," Geleka said.

Raising your awareness, she said, is half the battle. When you cut down the balance, the statement and the receipts, the information can help inform your plan of action.

Set realistic goals for 2024

If you have identified the pain points in your ordering habits when you could take the bus—Reinke recommends picking one category to reduce expenses during the new year. "Try first increasing your awareness of how much you spend on that given expense. Rather than ignoring your ride-share app charges, you now keep track of them. After one month, look at how much you have spent ordering cars. Next month, commit to lowering that number."

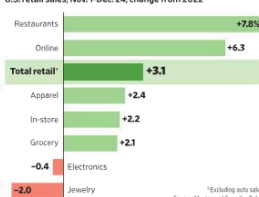
But it is important not to set unrealistic goals, Reinke said. "You don't have to delete the Uber app off your phone altogether."

"If you try to make an entire lifestyle change in two months, you'll stop doing it and go right back to what you were doing," he said.

Shoppers Keep Spending

Some analysts estimate Dec. 23 topped Black Friday as the biggest sales day of the year, lifted by last-minute buying. **A2**

U.S. retail sales, Nov. 1-Dec. 24, change from 2022



Retailers As Holid

By LIZ YOUNG

BREININGSVILLE, Pa.—At a brightly lit town outside Allentown, Sean Fagan Maldonado carefully pulls a beige- and white turtleneck sweater from its plastic wrapper and checks every inch of the bulk garment before slipping it into a new bag.

Maldonado then unceremoniously tosses the bag into a huge gray bin, adding to a growing pile of hundreds of similar packages—striped blue scarves, ruby-red shirts and

New Wave in Hair Is an '80s Look That Many Would Rather Forget

Thanks, Timothée: Moms who survived perms have teen boys begging for the 'dos

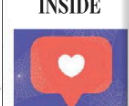
By AMIE MAHER CHAIKIN

On a recent Wednesday afternoon, 13-year-old Lukas Winter sat in a hair salon's chair with half-inch diameter plastic rods placed strategically across his head, a bag clipped over the top.

The eighth-grader at J.R. Gerrits Middle School in Kimberly, Wis., was getting a perm—his second since the beginning of the school year.

"I want it more," he explained while putting on 20 minutes for the Extra Body solution. That '80s hair f

INSIDE



PERSONAL JOURNAL

Fewer people are posting on social media, as some say the fun has fizzled. **A12**



BUSINESS & PERSONAL

Restaurants Push Back On Sharing

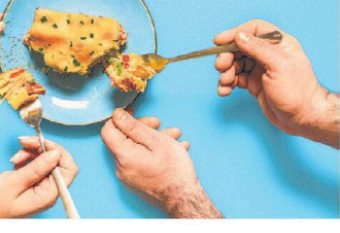


Restaurants Push Back On Sharing

Looking to split entrees or stick with starters to save on your next dinner out? Restaurants are on to you.

After years of pushing small, shareable plates, and rising prices that have prompted some customers to split dishes to save money, restaurants want you to order more. So they're introducing hard-to-share menu items and asking servers to nudge diners to load up on extra small plates. It's an at-

Eateries introduce hard-to-split items to help boost bottom line



Eateries introduce hard-to-split items to help boost bottom line

diners split a main course, they are encouraged to order more.

As a last resort, servers are trained to warn diners if the food they are splitting isn't filling enough for a complete meal.

In the kitchen, Neil also hesitates to make it easy for guests looking to split smaller plates into separately plated appetizers. The kitchen won't add more sauce or food to a split plate. And he says he asks some cooks to create "one salad in one bowl and move to two bowls" to train them not to pile on extra food in each.

"I don't want it to be something where guests can game the system," Neil says.

Erika Chavez enjoys the communal aspect of sharing dishes but worries that piling on small plates can strain some budgets.

On a recent night out, each friend at the table placed an order through the restaurant's QR code rather than with the server. The table still shared their dishes, but it also made her friends more conscious of how much they spent per meal because they could see their own total.

The result was a way to share without the stress of "Who is going to pay for what?" the 43-year-old Chicago-based marketing director says.

Nori De Vega says she has tried several strategies to save on dining out after being laid off from her tech marketing job in early 2023. The 34-year-old from Portland, Ore., has become more cautious when out with friends because it was tough to control what others would order, including \$25 cocktails.

Rather than split plates with what she calls "the chicken or the fish" dilemma, restaurant Easy Bistro and Bar, the French eatery now offers items that are more filling and easier to split, including a whole chicken, she says.

The catch: Sides come separately instead of with the entree, so when

der a crudo sampler of all the fish for \$85. Adjusting the portion sizes and prices allows diners to share while keeping per-person checks high, she says.

"We needed to position the menu in a way that made sense for us financially while understanding that people come here to share with their friends," she says.

Mattida Parente, 70 years old, says she prefers smaller, adventurous bites over classic entrees when out with friends. She says, "I'm budget-friendly and more appealing, quite honestly," the San Diego-based physician says. She tends to give in if the server insists that the entree "isn't an upscale."

More strategy

Tory Borkum, founder of Urban Kitchen Group in San Diego, reworked the menu at her four Cucina

Dishes for one

Restaurants don't want to forbid splitting, says Abraham Merchant, chief executive of a New York-based management company with 17 affiliated restaurants. Instead, his restaurants are trying subtle strategies like creating single-bite items, like a duck confit spring roll meant for one, without getting rid of splittable options, like roasted carrot hummus.

"It's a struggle," he says. "We discourage as gently as we can."

months, and 58% said they would keep doing so, according to market research from Datassential. Kylie Monagan, a partner at Civetta Hospitality, made a discovery after digging into eight months of ordering trends for one of her company's restaurants. Larger party sizes—those with six or seven people—often had the lowest per-person check averages when sharing dishes. Often those groups would come in to drink and socialize without ordering individual entrees.

"People sharing plates was not great for us," she says.

To target the snacks and drinks crowd, Monagan added a selection of the menu last summer. She added pricier items, including a section of small plates like thinly sliced raw yolkwolt (\$24) that aren't meant for sharing.

Those who prefer to split can or-