SPACs are Back! What are They?

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Besides COVID, the elections, and what the fifth instalment of the Scream series will be called (it's not Scream 5), what's getting the most attention is SPACs, or special purpose acquisition companies.

These are publicly traded shells with cash looking to buy businesses. SPACs were originally designed to help smaller companies access public equity. For various reasons, they've never taken off. That's changed.

As our Chart of the Week shows SPAC IPOs zoomed this year. So far in 2020 there have been 183 such vehicles raising $66 billion. Compare that to 2019 when only $13.6 billion was raised from 59 IPOs…

?? Read Nov 16 2020 newsletter: here

?? Chart of the Week: here (by spacresearch.com)