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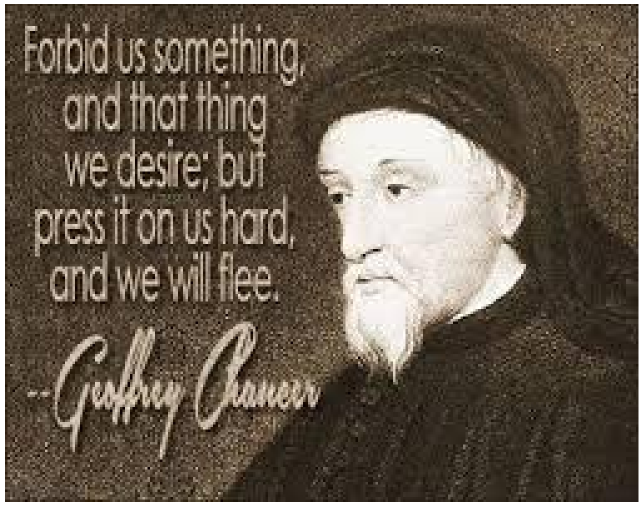
THE CHICKENS COME HOME TO ROOST: Bad deeds or words return to discomfort their perpetrator.



The notion of bad deeds, specifically curses, coming back to haunt their originator is long established in the English language and was expressed in print as early as 1390, when Geoffrey Chaucer used it in The Parson's Tale:
And ofte tyme swich cursynge wrongfully retorneth agayn to hym that curseth, as a bryd that retorneth agayn to his owene nest.

The allusion that was usually made was to a bird returning to its nest at nightfall, which would have been a familiar one to a medieval audience. Other allusions to unwelcome returns were also made, as in the Elizabethan play The lamentable and true tragedie of Arden of Feversham, 1592:
For curses are like arrowes shot upright, Which falling down light on the suters [shooter's] head.
Chickens didn't enter the scene until the 19th century when a fuller version of the phrase was used as a motto on the title page of Robert Southey's poem The Curse of Kehama, 1810:
"Curses are like young chicken: they always come home to roost."
This extended version is still in use, notably in the USA.
The notion of the evil that men create returns to their own door also exists in other cultures. Buddhists are familiar with the idea that one is punished by one's bad deeds, not because of them. Samuel Taylor Coleridge revived the imagery of a bird returning to punish a bad deed in The Rime of the Ancient Mariner, 1798. In the poem the eponymous mariner kills an albatross, which was regarded as an omen of good luck, and is punished by his shipmates by having the bird hung around his neck:
Ah! well a-day! what evil looks
Had I from old and young!
Instead of the cross, the Albatross
About my neck was hung.

"You've Made Your Bed and Now You Have To Lay (or Sleep) In It"
It says that you have created a circumstance which has turned out badly. By persuading the people around you that you cannot be trusted, that circumstance is going to be hard to avoid. The remark means, in effect, "You made this mess; now deal with the consequences on your own."

The above phrase seems to carry extraordinary weight as I age in this life. Not everyone gets "Shot Through the Goose," but there is a certain amount of cosmic pleasure when one gets what one deserves (Madoff, Eichmann, Manson, Gacy, Speck, Berkowitz, Skilling, Calley, Chauvin, Milosevich to name a few heinous human beings).

I detest when someone complains about their current condition, but refuses to admit that it was of their own making. People need to "**Take Responsibility For Their Own Actions"** and stop blaming others for the consequences of said actions. Constant whining about your situation concerning your life, weight, dating, job, marriage, children, parents, weather, sports teams ad nauseam; lead one down a path of no return. I understand that unhappiness is a basic human condition and for many, they have every right to complain. Lack of food, water, decent, safe living conditions, basic medical assistance, freedom of violence, discrimination and oppression, are all issues that fault should never be borne by the sufferer. That being said, we generally "Reap What We Sow" as the Old Testament (though there are many references also in the New Testament, but being Jewish, I will stick with what I know).

There are Old Testament verses that also refer to the principle that we reap what we sow. “Those who plant injustice will harvest disaster,” says King Solomon (Proverbs 22:8). “You have planted wickedness, you have reaped evil,” says the prophet (Hosea 10:13). “They will eat the fruit of their ways and be filled with the fruit of their schemes,” says Wisdom in Proverbs 1:31. In each case, the law of sowing and reaping goes back to God’s justice.

The Buddhists see that same in the concept of "Karma" which can be "Good or Bad." Karma

What does our discussion of **"What Goes Around Comes Around"** have to do with the **"Price of Beans in Argentina?"** It plays into my distaste for the **"SPAC CRAZE"** which has raised billions of dollars from unsuspecting investors with promises that will be difficult be keep. In 2020, SPACs raised $83.4 Billion from mostly retail investors (i.e The Little Guy/Gal/They). SPAC

The fees for the a typical SPAC run about **5.5%** PLUS the sponsor keeps **20%** of ownership. SPAC Fees The enticing part of the offerings is pricing with a typical offering price of $10. While IPOs have always been speculative and the success rate is variable. The real issue with SPACs is that many raise money with the intent of investing in a company or companies within 2 years or the investors get their money back with interest or do they?

SPAC Investor

BTW, I am not the only one calling this SPAC frenzy out? The Honorable Gary

Gensler (SEC Chairman) has initiated an investigation in an effort to protect the investor class. SEC.
https://www.cnbc.com/2021/06/02/required-withdrawals-from-retirement-accounts-are-back-what-to-know.html
I will finish this little SPAC tirade with an engaging article in The New Yorker about Chamath Palihapitiya and his role in the SPAC phenomenon. Pied Piper

Putting my bias aside, I will let your learn the basics of a SPAC from the Motley Fool's (www.fool.com) themselves as they do an outstanding job of explaining the ins and outs of this financial too.

SPAC, or special purpose acquisition company, is another name for a "blank check company," meaning an entity with no commercial operations that completes an initial public offering (IPO). After becoming a public company, the SPAC then merges with (or acquires, but usually merges with) an existing private company, thereby taking it public. Prior to completing a merger or acquisition, many SPACs provide no indication to investors about what type of company they plan to merge with or buy.
In effect, the "special purpose" of a SPAC is to bring a promising private company to the public investment market. While SPAC strategies are in some respects complicated and multi-step, they tend to take less time to complete than traditional IPO listings and can be cheaper. The advisory fees associated with going public via a SPAC tend to be far lower than the fees charged for a traditional IPO. Early-stage companies can more easily comply with the requirements to merge with a SPAC than they can successfully complete an IPO.
What happens in a SPAC merger?
SPACs typically price their IPO shares at $10 apiece, and they often offer warrants to buy additional shares or provide some other sweetener to entice investors to buy into the unknown. The SPAC then identifies and negotiates with a private company, swapping the cash it raised via its IPO and its status as a publicly traded entity for a percentage of the post-merger business. Sometimes the financial structure of the merger also includes money from outside investors, who provide additional funding in exchange for shares in the public entity.

The starting $10 share price tends to change once investors know which private company the SPAC is merging with and under what terms. Investors gain a better idea of what each share should be worth and the share price adjusts accordingly. SPAC share prices tend to soar higher when the acquisition target is announced, but if sentiment changes or the deal overly dilutes the value of the original shares by including too much money from new investors, a SPAC's share price may decline after the deal is announced.

One of the first high-profile SPAC deals featured Richard Branson's space tourism start-up Virgin Galactic (NYSE:SPCE). In late 2019, venture capitalist Chamath Palihapitiya formed a SPAC called Social Capital Hedosophia Holdings. The SPAC merged with Virgin Galactic, taking it public. Shareholders of Social Capital Hedosophia Holdings received a 49% stake in the combined company, while Virgin Galactic received about $800 million in cash and a public ticker.

Why would someone invest in a SPAC?
Investors who buy into a SPAC prior to the announcement of a merger or acquisition are relying on the SPAC's sponsors — its management team — to choose an attractive target. For that reason, it matters who is sponsoring a SPAC. Many SPACs are backed by high-profile investors like Palihapitiya, while others affiliate with celebrities or famous athletes to attract attention.

SPAC share prices tend to be relatively stable before the merger. A SPAC typically invests the money it raises when it is formed into government bonds or other safe investments to earn a modest return while limiting potential downside during the time it searches for a merger partner.

Buying shares in a new SPAC amounts to a leap of faith, but the payoff can be substantial. The change in share price can occur immediately once a deal is announced, and the only way for an individual investor to fully benefit from that rapid price increase is to invest when the SPAC is still searching for a deal.

DraftKings (NASDAQ:DKNG), the nearly decade-old company focused on fantasy sports, became a public company by merging with a SPAC early in 2020. The company's valuation quickly ballooned from about $3 billion to $13 billion in a matter of months. That's the sort of growth SPAC investors are trying to capture by committing money early.

One major benefit of not buying shares of a SPAC until after a merger is announced is that you know exactly what you're buying. But the rest of the market does, too, and the SPAC's share price likely already reflects that knowledge.

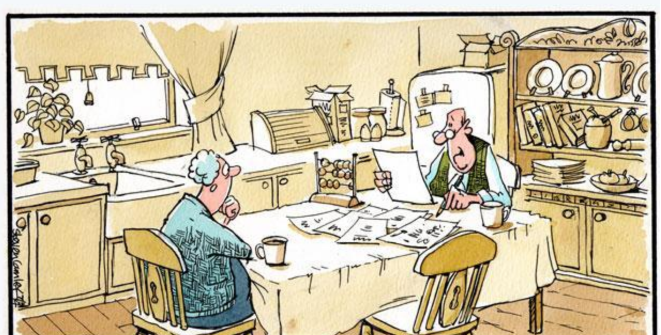
A word of caution
While investing in SPACs enables individual investors to, in theory, gain portfolio exposure to young companies in red-hot sectors, it's important to remember that disclosure rules for SPAC deals differ from the disclosure rules governing IPOs.

For IPOs, companies are permitted to share past financial results and talk broadly about the markets in which they operate, but they are prohibited from projecting future financial performance. In contrast, a company going public via a SPAC deal is allowed to present detailed revenue and profit projections that are forward-looking by five years or more. For young, pre-revenue companies that might prefer for investors to focus on their potential instead of their so far unimpressive results, that regulatory distinction confers significant benefit.

The traditional IPO process is cumbersome and restrictive partly in an attempt to make sure individual investors are protected. Investors invariably lose some of those protections when they invest in SPACs. Investing in younger, less-established companies carries greater upside potential but also greater risk for your portfolio.

A cautionary tale is the SPAC merger deal between VectoIQ (NASDAQ:VTIQ) and electric truck start-up Nikola (NASDAQ:NKLA). VectoIQ shares rapidly increased in value in March 2020 when the merger deal was announced, and, by midsummer of 2020, they were up by more than 600%. Later in the summer, after the merger closed, questions surfaced about the viability of Nikola's products. The stock's price has since returned nearly to its starting point as more negative information about Nikola trucks has been released.

It's impossible to know whether an IPO would have raised enough red flags about Nikola for investors, but, in hindsight, clearly insufficient due diligence was conducted prior to the SPAC merger being completed.SPAC



"I've worked out the Interest we're getting from our savings and it's enough for a pint of beer—if this was the Seventies."

As difficult as the COVID-19 Pandemic has been, one of the saving graces has been the dramatic increase in the percentage that the American public is saving.

WILL IT BE SPENT EVENTUALLY? - The personal savings rate in the US in the 1Q 2021 was 21.0%. The personal savings rate in the US in the 1Q 2001 was 5.0%. The personal savings rate is defined as “savings” (i.e., after-tax income less consumption spending) divided by after-tax income (source: Department of Commerce/www.commerce.gov).

One should be not overly excited about the current 21% savings rate as we Americans are nothing more or less than **BIG TIME CONSUMERS.** The U.S. economy is driven by consumption to the tune of 68.5% of GDP (Gross Domestic Product) Private Consumption
Thus, we can expect that rate to drop back to the 5-&% level in no time flat. That is unfortunate but **Such Is Life.** As a veteran retirement plan consultant, I constantly advise my participants to take the **"Easy Way Out"** to raise their savings percentages. Start with a reasonable number (say 6%) and make sure you increase your deferral percentage 1% annually. Lo and behold, after a few years, you are way above the national average. It's not complicated. Many large companies have instituted automatic enrollment at 6% with a 1% yearly escalator. I wish that all my plan sponsors would adopt this procedure. Unfortunately, few have but I remain optimistic for the future. We, at **The Prizant Group,** continue to advise our participants to reach for the annual goal of hitting the IRS Deferral Limits for each plan year **(2021: $19,500 Plus $6,500 for participants older than 50 years of age or turning 50 years of age in the plan year. The contributions can be Pre-Tax or Roth or a Combination of Both but cannot exceed the above maximum limits)** . The eternal fight between **"Saving and Spending"** is the Ying and Yang of everyones personal financial well being. If you can **"Snatch The Stone,"** (like the "Grasshopper" in the old Kung Fu T.V. show), then your finances in retirement have the chance of cushioning your income needs.

Kung Fu

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