

INVESTMENT ASSIGNMENT

SUBMISSION

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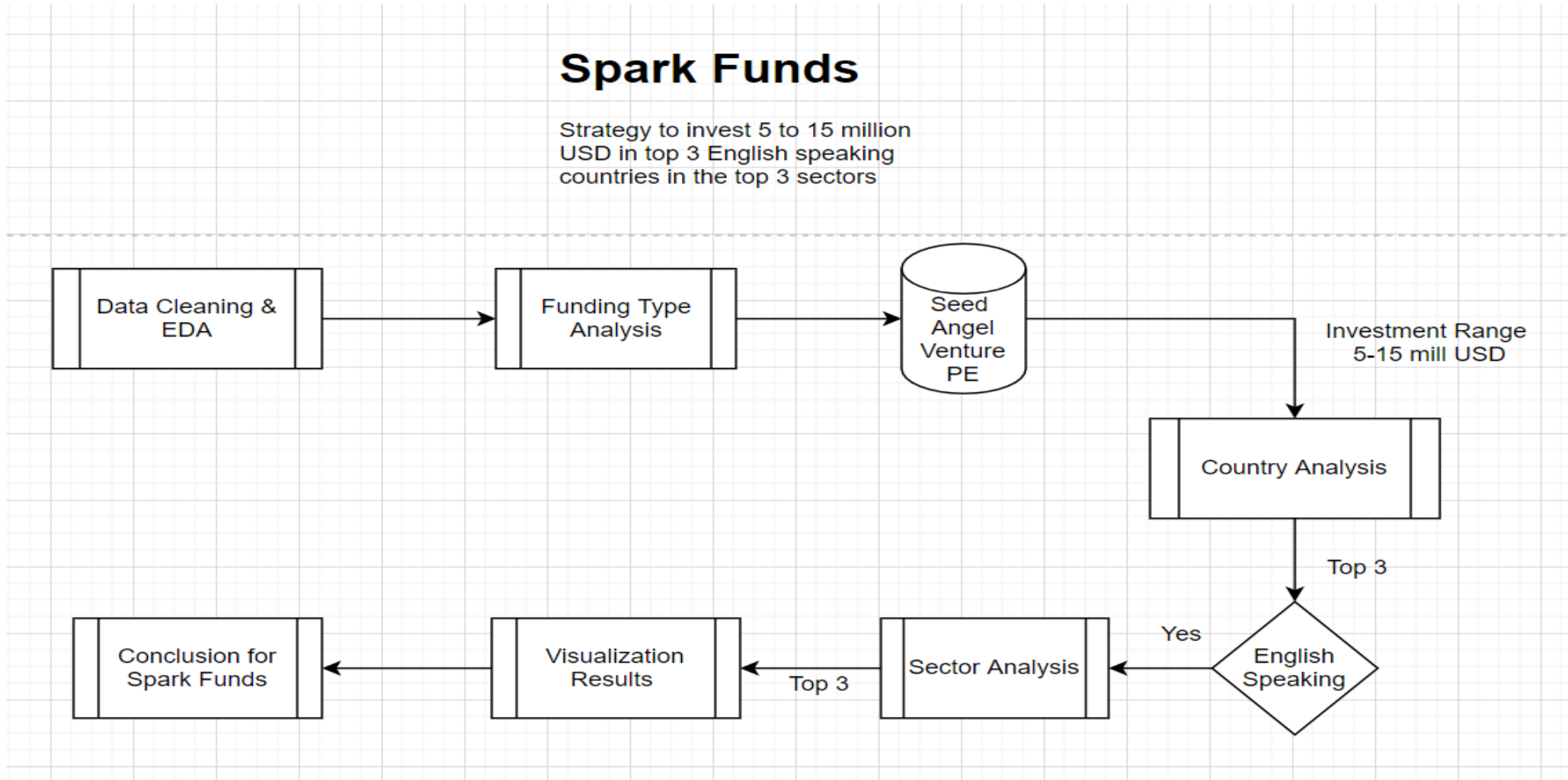
Dated – 27 April 2021

Objective

- **Spark Funds**, an asset management company wants to make investments in **English speaking countries** with an amount between **5 to 15 million USD per** round of investment.
- Spark Funds wants to understand the global trends in investments across the Globe so that company can take the decisions effectively.
- The strategy for Spark Funds is to find out where others are investing, implying that the 'best' sectors and countries are the ones 'where most investors are investing'.
- Business objective of this analysis will be to identify the best sectors, countries, and a suitable funding type between 'Seed', 'Angel', 'Venture' and 'PE' and provide insights to Spark
- Finally, the Goal will be to identify the suitable **investment funding type in the top 3 main sectors in each of the top 3 English speaking countries** in which Spark Funds can invest.

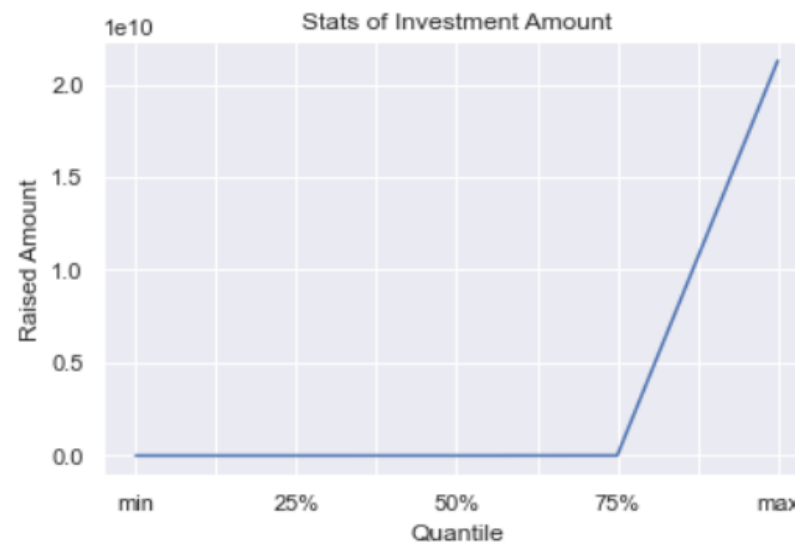
Approach

- Following workflow chart details the approach of analysis and findings to be followed.



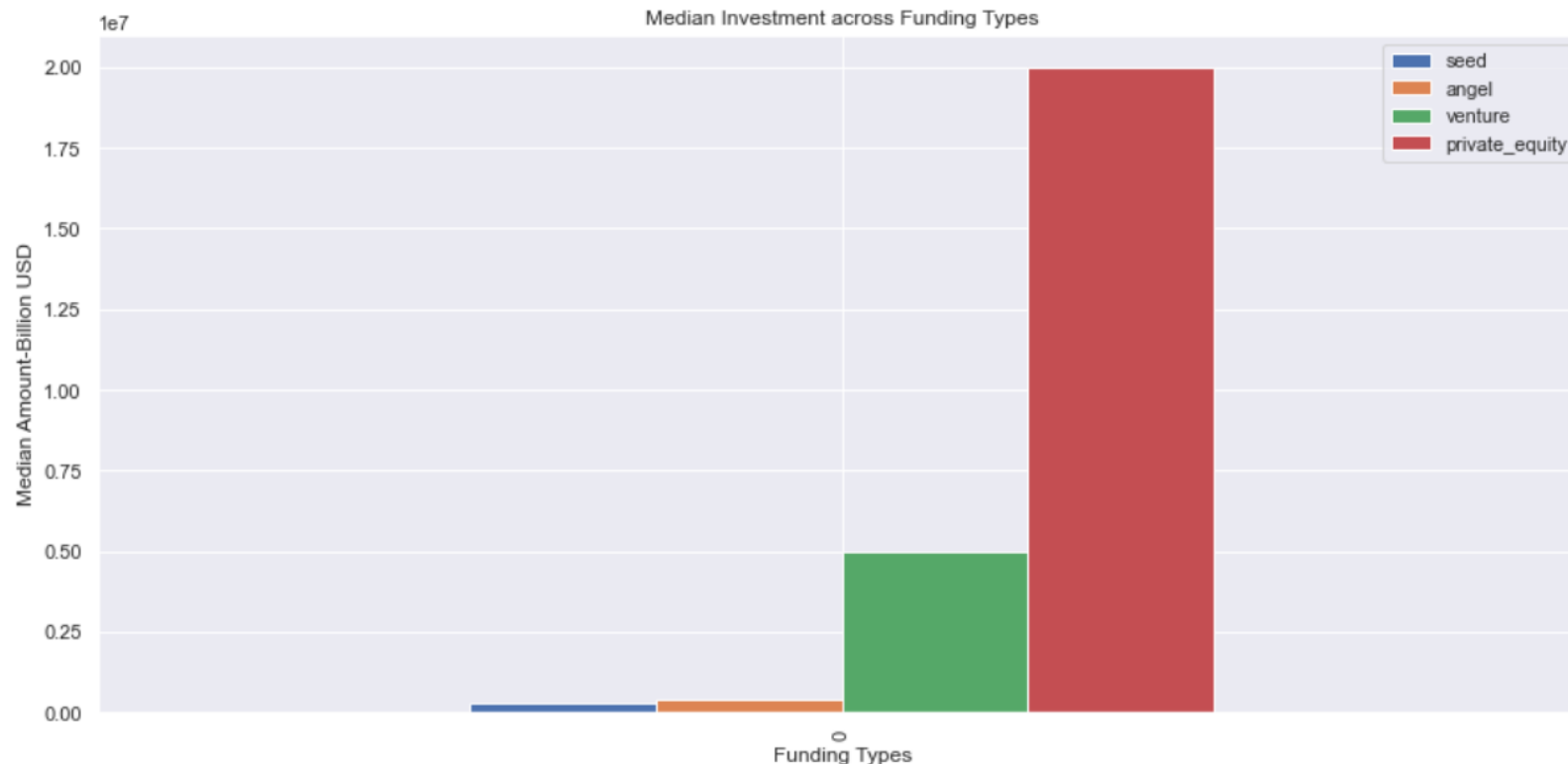
Data Analysis

- The data is sourced from crunchbase.com which have the details of various companies, URL, operating sectors, amount raised in a specific funding type of investments, founded year and other details.
- The most important metric is amount raised by a company. The spread of amount raised in various funding models spanned from very low to more than 2 billion USD, therefore the representative value picked for the analysis for this amount is '**Median**'
- Dataset were merged with all details in one place for detailed analysis and visualizations
- The approach required filtering of required data at various stages hence Nulls and Outliers were not removed.



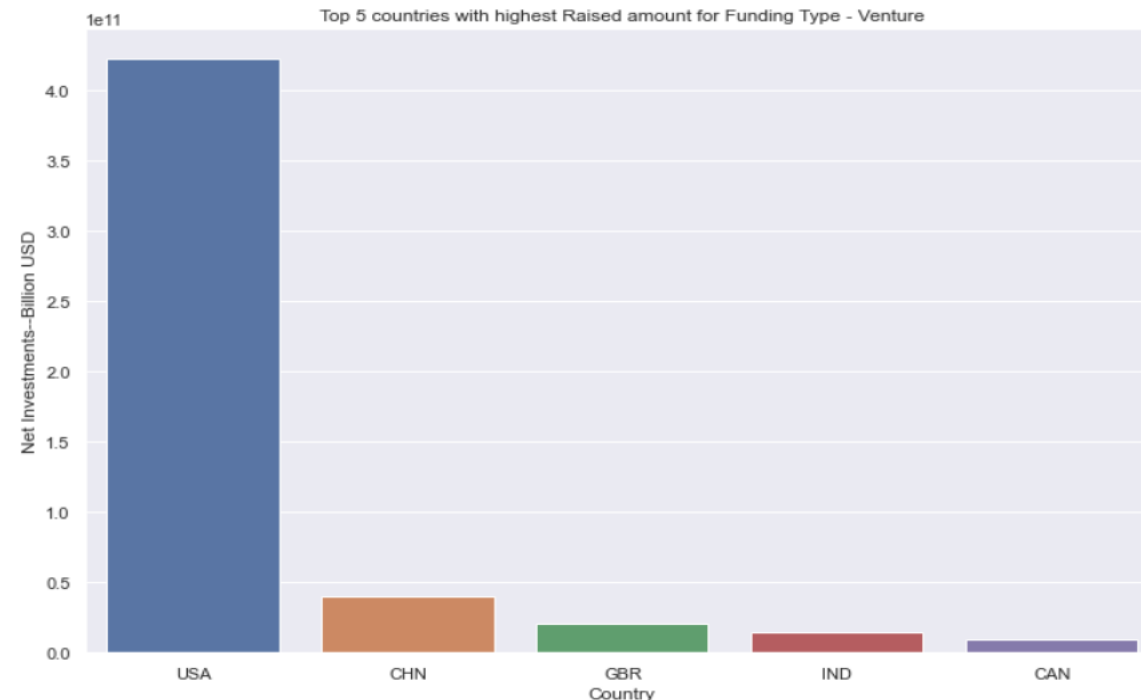
Funding Type Analysis

- The dataset was analyzed for amount raised in only the interested Funding type categories, which are 'Seed', 'Angel', 'Venture' and 'Private Equity' across all the countries and sectors.
- Considering the most representative value i.e., **Median** of amount raised in 4 funding type category, The type '**Venture**' was found to be most suitable given that Spark Funds wants to make investment between 5 to 15 million USD



Country Analysis

- The Funding Type analysis in previous slide revealed that for amount ranging between 5 million to 15 million USD, Venture would be the most suitable type of funding Investment for Spark Funds.
- Next, **English speaking countries** of interest were identified which attracted highest investment in the Funding type – ‘Venture’
- USA, CHN, GBR, IND and CAN were identified as top 5 countries with highest investment in Venture Funding, Since English is not an official (primary) language for CHN and CAN, We ignore those and select **USA,GBR and IND** as the top 3 countries



Sector Analysis

- Post Country analysis, we move on the analyzing the sector performance in the **top 3 countries** which received highest investment in the Venture Funding type.
- The data for companies of each of the three countries i.e., **USA, GBR and IND** were filtered and grouped together for the individual **main sectors** in which the company operates. The aggregated count and sum of investments were calculated to obtain the **top sectors in each country**.
- On measuring the aggregated value of count of investments in each sector, Following are the top 3 sectors in each country.

1. USA

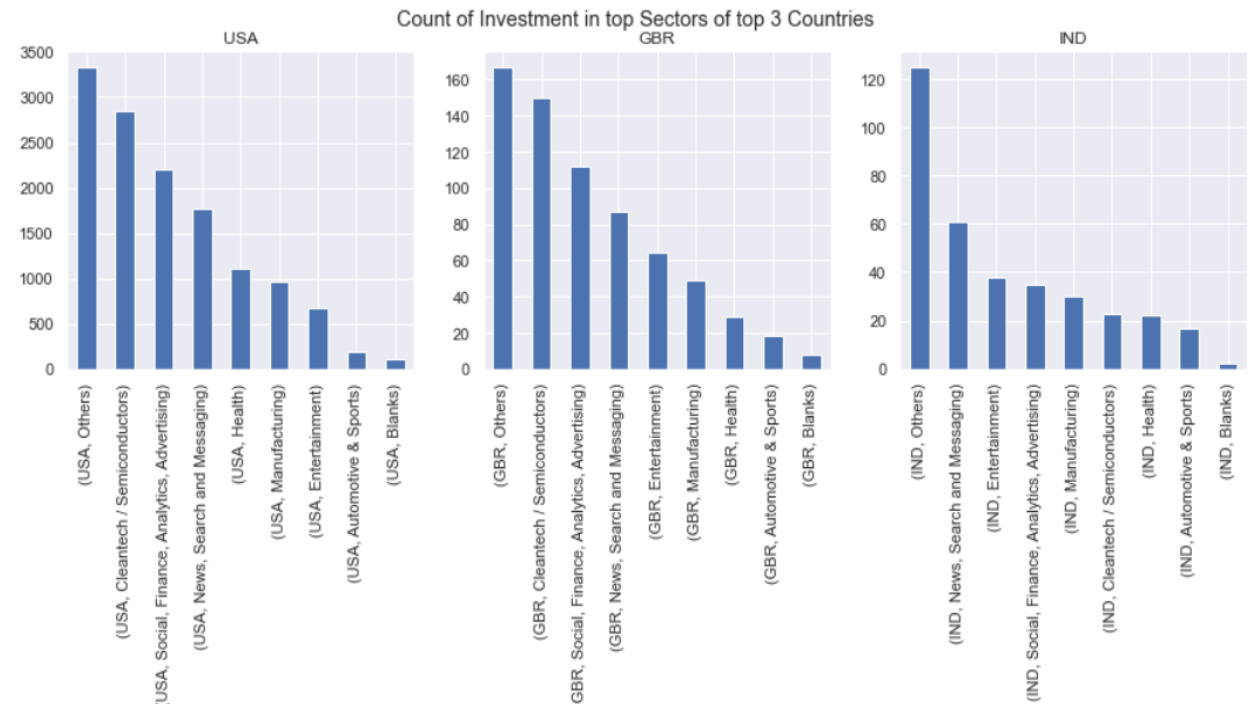
1. Others = 3335
2. Cleantech / Semiconductors = 2845
3. Social, Finance, Analytics, Advertising = 2199

2. GBR

1. Others = 167
2. Cleantech / Semiconductors = 150
3. Social, Finance, Analytics, Advertising = 112

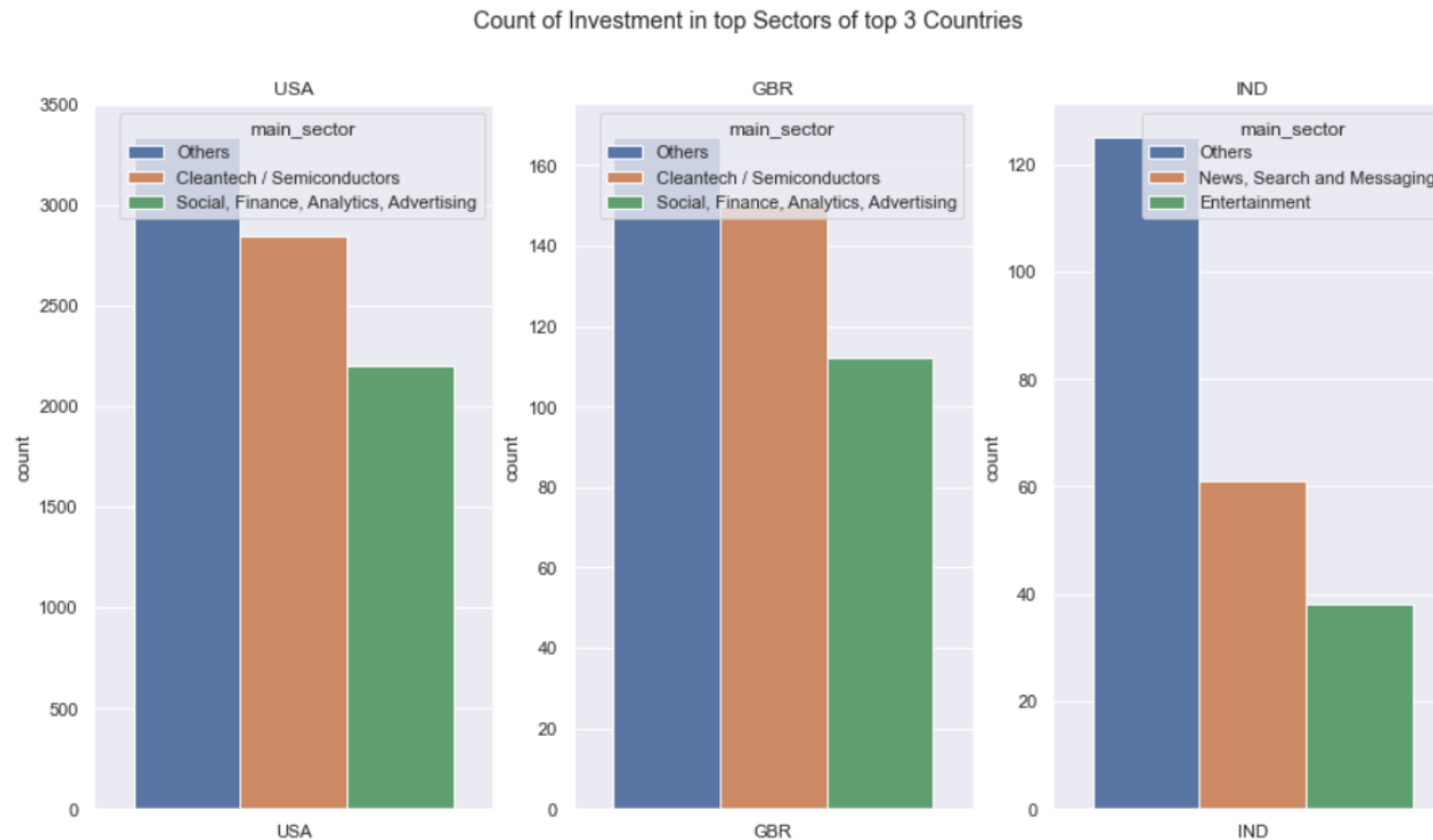
3. IND

1. Others = 125
2. News, Search and Messaging = 61
3. Entertainment = 38



Sector Analysis Cont.

- Following plot shows the top 3 sectors with highest number of Investment of Funding type 'Venture' in top3 countries in relative manner.



Company Analysis

- So far, we have established the most suitable funding type for Spark Funds – Venture followed by top 3 countries which received most investment and then the top 3 sectors in each country which attracted the maximum number of funds.
- Next is to analyze the best companies in top sectors. On quantifying the highest raised amount by a company in a particular sector, Following are the top companies in top 2 sectors in each of the country

Detail	USA	GBR	IND
Best Company in Top Sector	EXAGRID-SYSTEMS	PICOCHIP	FIRSTCRY-COM
Best Company in Second Best Sector	GAINSPAN	EUSA-PHARMA	GUPSHUP-TECHNOLOGY-INDIA-PVT-LTD

Conclusion

- Based on the Analysis, whereby selecting the best funding type , the top 3 sectors in top 3 countries which are invested heavily by other Asset Management funds in the market, We can conclude the Investment Strategy that can be followed by Spark Funds for investing between 5 to 15 million US Dollars is as follows
 - Spark Funds should opt for Funding type **Venture**
 - Spark Funds should look to invest in **USA , UK and India**
 - Within USA, UK and IND, The Sector classified as '**Others**' is most attractive which receives highest investments followed by 'Cleantech/Semiconductors' and 'News & Search and Messaging'
 - Finally, Spark Funds can analyze below top companies of each country operating in their respective best sector

Detail	USA	GBR	IND
Best Company in Top Sector	EXAGRID-SYSTEMS	PICOCHIP	FIRSTCRY-COM