

# INVESTMENT ASSIGNMENT SUBMISSION

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# Abstract

The investment analysis for Spark Funds. The client wants to invest in companies with below constraints.

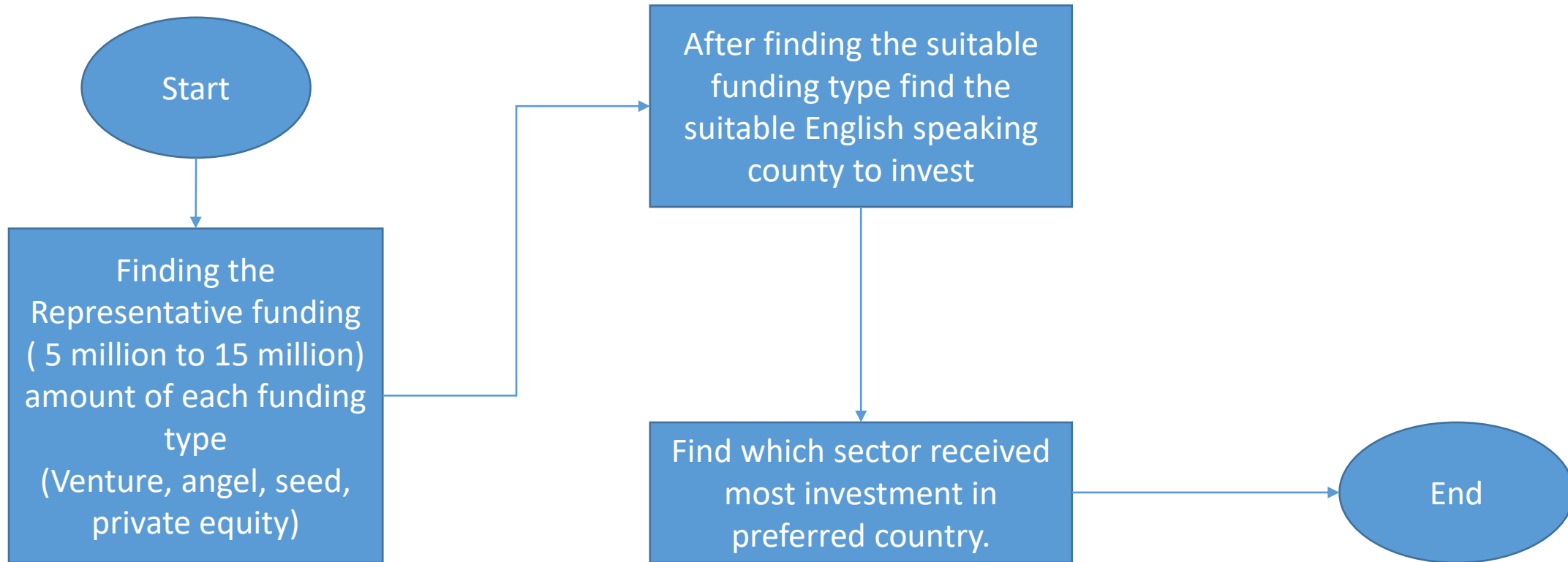
- It wants to invest between 5 to 15 million USD per round of investment.
- It wants to invest only in English speaking countries because of the ease of communication with the companies it would invest in.

**1. Business objective:** The objective is to identify the best sectors, countries, and a suitable investment type for making investments. The overall strategy is to invest where others are investing, implying that the 'best' sectors and countries are the ones 'where most investors are investing'.

**2. Goals of data analysis:** Your goals are divided into three sub-goals:

1. Investment type analysis: Comparing the typical investment amounts in the venture, seed, angel, private equity etc. so that Spark Funds can choose the type that is best suited for their strategy.
2. Country analysis: Identifying the countries which have been the most heavily invested in the past. These will be Spark Funds' favourites as well.
3. Sector analysis: Understanding the distribution of investments across the eight main sectors. (Note that we are interested in the eight 'main sectors' provided in the mapping file. The two files — companies and rounds2 — have numerous sub-sector names; hence, you will need to map each sub-sector to its main sector.)

# Problem solving methodology



## Funding type analysis

- Representative funding amount of Venture funding type is 5 million USD.
- Representative funding amount of Seed funding type is 275 thousand USD.
- Representative funding amount of Private equity type is 20 million USD.
- Representative funding amount of Angel funding type is 400 thousand USD.

Conclusion on funding type : Venture funding is recommend because of the investment budget for the firm is between 5 million and 15 million. The rest of the funding types are either below the investment budget or exceeding the investment budget.

# Country Analysis

The top 9 English speaking countries which with venture funding type are

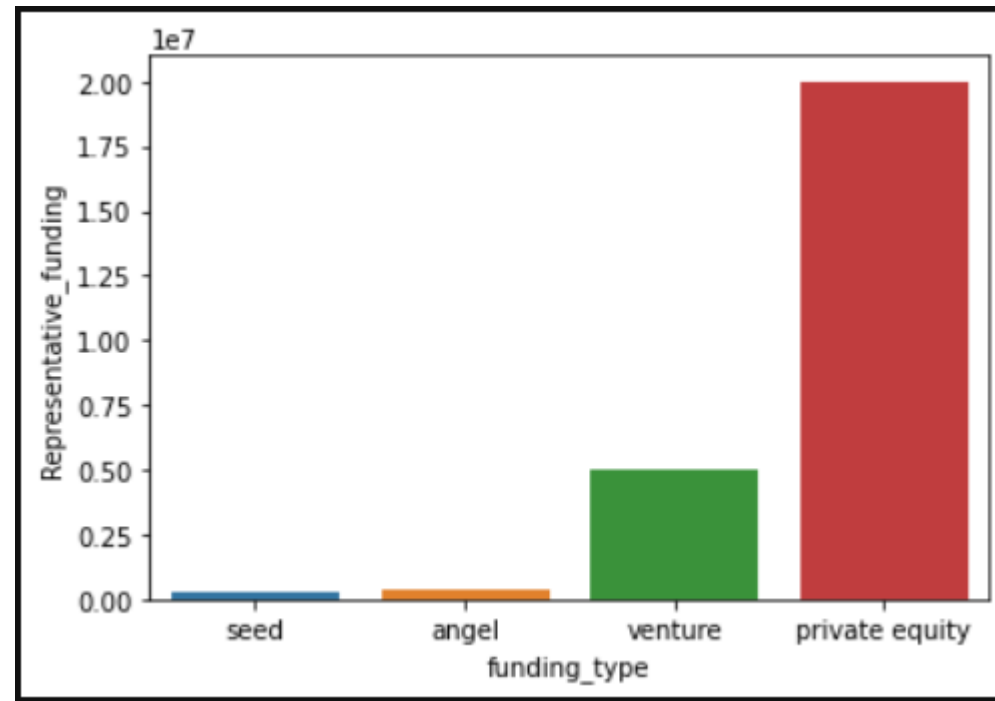
- United States of America
- England
- Canada
- India
- Israel
- Australia
- Singapore
- Ireland
- Netherlands

Conclusion for country analysis : Most of the investors are investing in the USA, England and Canada.

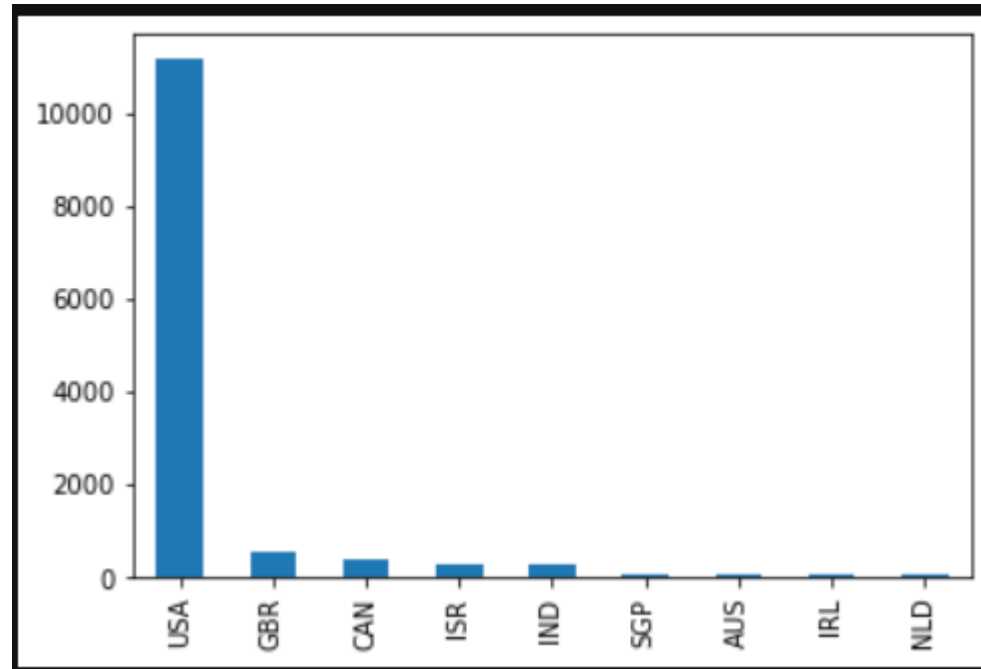
# Sector Analysis

- The American companies having most investments in venture funding followed by England and Canada.
- The top three sectors in America are 'Others' with 8243 investments, 'Cleantech / Semiconductors' with 7849 investments, 'Social, Finance, Analytics, Advertising' with 5156 investments.
- The top three sectors in England are 'Others' with 507 investments, 'Cleantech / Semiconductors' with 433 investments, 'Social, Finance, Analytics, Advertising' with 318 investments.
- The top three sectors in Canada are 'Cleantech / Semiconductors' with 329 investments, 'Others' 326 investments, 'Social, Finance, Analytics, Advertising' 164 investments.

A plot showing the representative amount of investment in each funding type

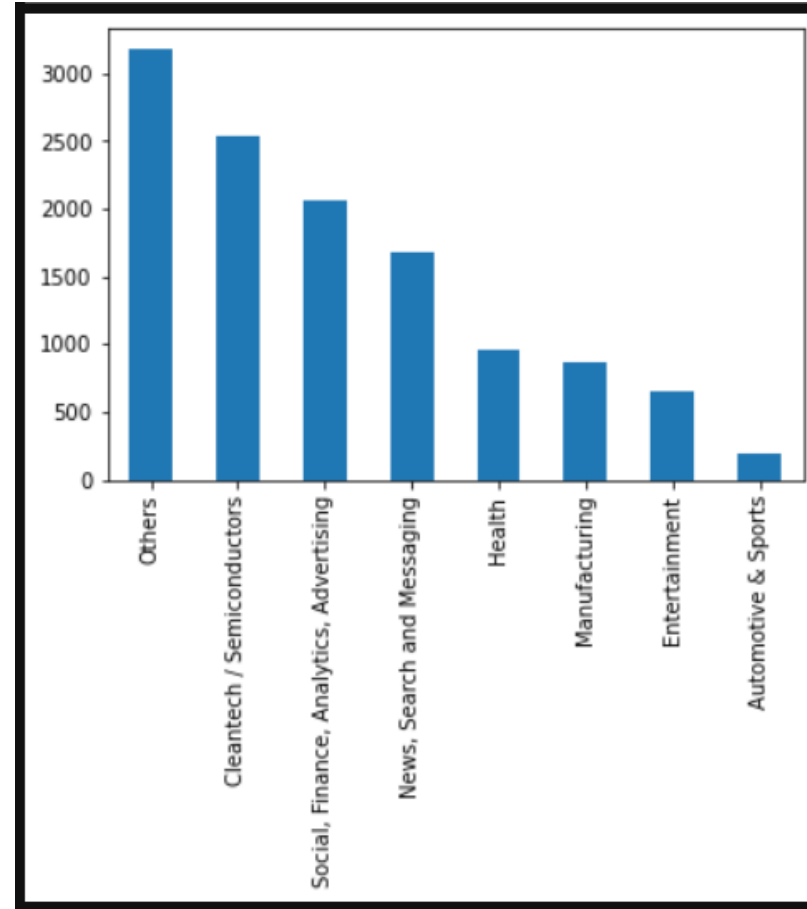


A plot showing the top 9 countries against the total amount of investments of venture funding type





A plot showing the number of investments in the top 3 sectors of the top 3 countries on one chart



## Conclusions

- The analysis shows that the venture funding type best suited for the firms investment budget with 5million to 50 million because the 50% of the investments in venture funding are less than 5 million USD.
- The analysis shows USA, Canada and England are the best suited countries to invest. Maximum number of investments are happening in the USA.
- Others, Cleantech/ Semiconductors and Social, Finance, Analytics, Advertising are the top three common sectors. These three sectors are getting most investments in USA, Canada and England.