

INVESTMENT CASE STUDY

SUBMISSION

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Spark Fund Investment Strategy

We are looking to invest around 5-15 million USD in sectors which received highest amount of funding in top performing countries, the sectors which we have chosen are based on data taken for past few years of funding, Some of the categories which we are looking to invest are Analytics, Finance, Advertising, Cleantech, Semiconductors etc.

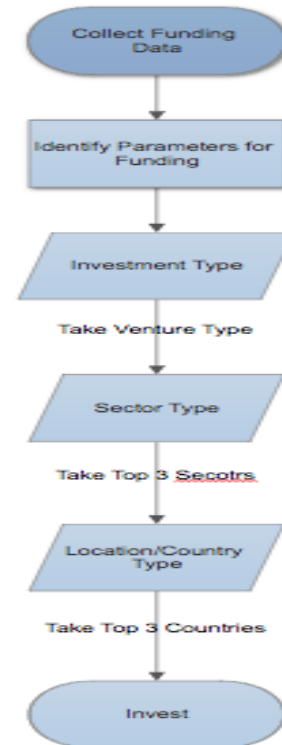
Before investing we need to identify our core investment strategy for this we have prepared some correlation between total investment in companies vs their performance metrics and type of funding raised in previous rounds.

We are looking to invest in companies from English speaking countries only as they are easier to work with, the basic strategy is to invest in companies where other early stage start-up investors are investing.

Core Metrics for Investments

We have chosen a basic strategy to decide companies for investment, the strategy consists of identifying sectors, countries and investment type.

Investment Strategy



Investment Type Analysis

We analysed the data for companies funded and observed that Venture Type is the best type of investment for us, since we have around 5-15 million USD.

Average funding amount of venture type	11748949.1
Average funding amount of angel type	958694.5
Average funding amount of seed type	719818
Average funding amount of private equity type	73308593

Country Analysis

We are looking to invest in countries where English is the most spoken language as it simplifies a lot of legal and communicational processes, based on the data analysis we found these countries to be most funded and has English as their primary language.

Top English speaking country	USA
Second English speaking country	GBR
Third English speaking country	IND

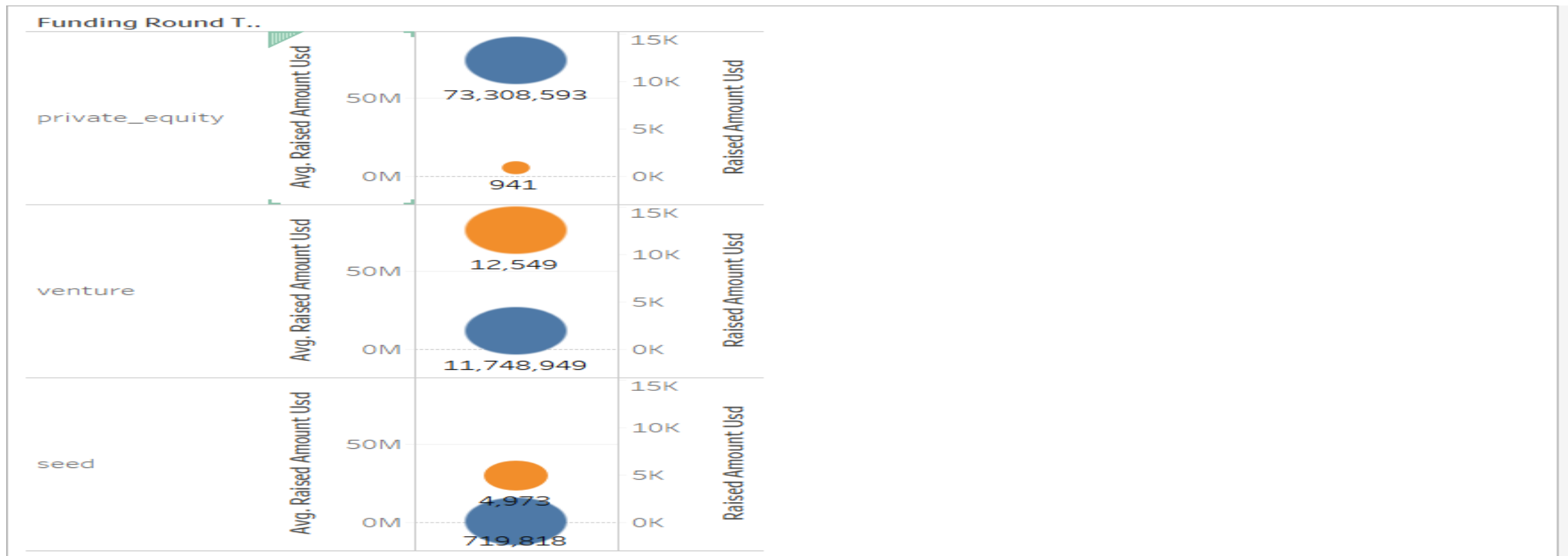
Investment Sector Analysis

Out of all companies in English speaking countries we wanted to segregate companies on the basis of their primary sectors, to identify primary sectors we chose the sectors which are more popular and have received most funding recently, if any company has a single category it is considered as its primary sectors, we further divided companies by primary sectors in 8 most important sectors where we are looking to invest.

Out of these 8 primary sectors we found out that Others is the most invested sector, Social/Finance/Analytics and Advertising comes at second on the basis of companies which raised most rounds of investment Cleantech and Semiconductors also showed most promising investment area.

Summary of Total Investments (Globally)

Following Plot Shows the total investment made globally in venture, seed and private equity type vs average amount of investment.

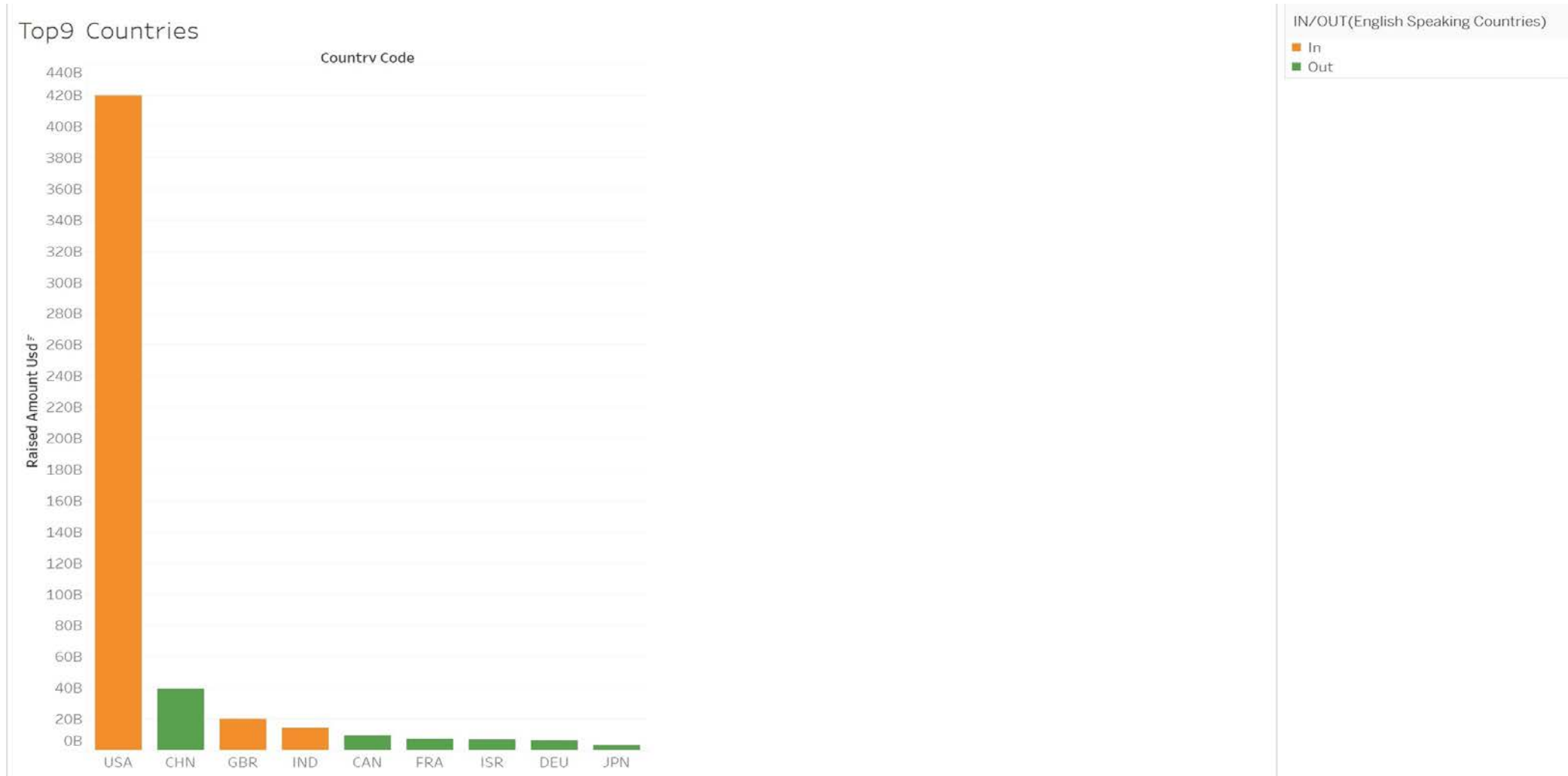


Caption

This clearly shows that the number of investments are highest in Venture type as compared with the other types. Also the average amount of

Top Countries by total investment

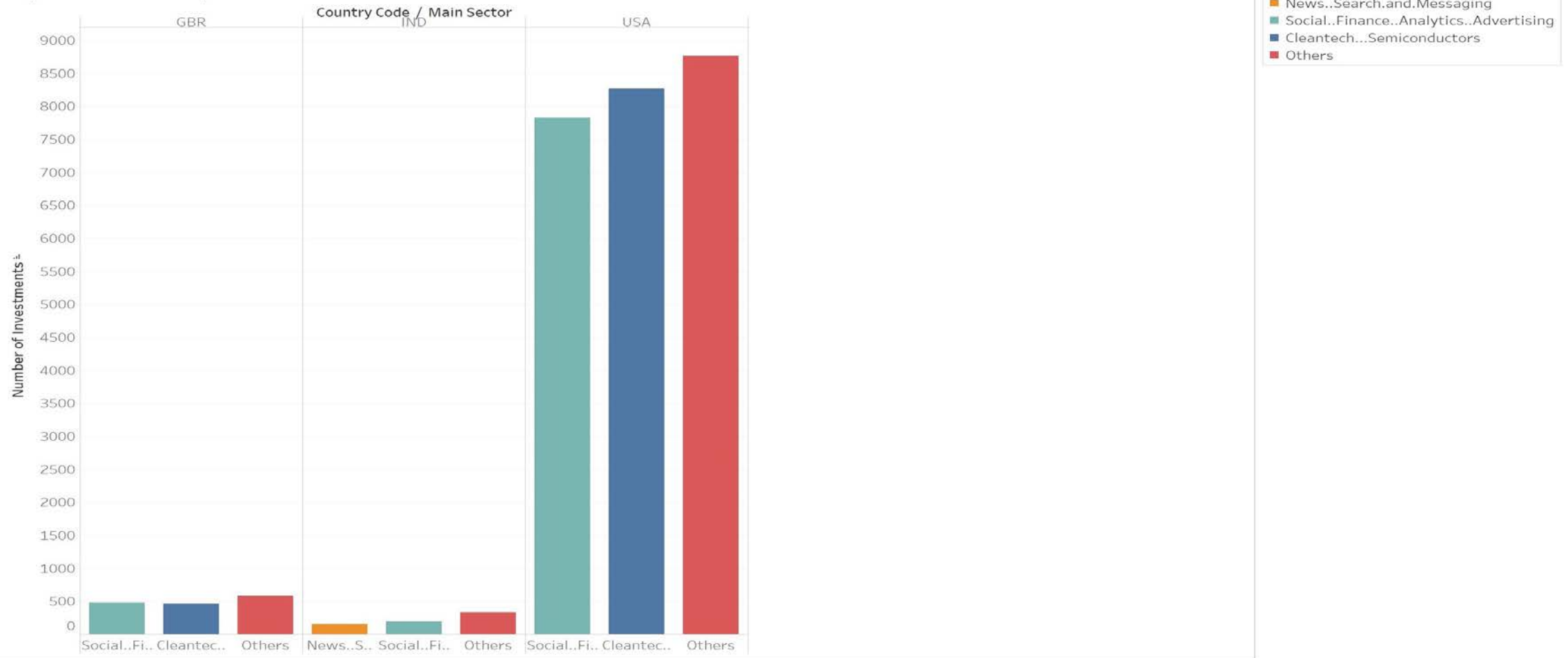
We can find the best performing countries which got highest amount of funding from the following chart.



Top performing sectors in countries

From the following chart we can see that USA, Great Britain and India has the highest amount of funding received for top performing sectors.

Top3 Sector of top3 Countries



Conclusion for Investing

From the data analysis it can be concluded that investment should be done in Venture Type and We can invest in top performing companies across sectors such as Social/Finance/Analytics and Advertising, as these sectors are the most heavily invested sectors, Other sectors where investment can be done are: Cleantech/Semiconductors or News/Search and Messaging.

We would need to invest in top English speaking countries such as USA, GBR and IND. The average amount of investment in venture type should be around 11 million which will leave us with some amount of money to be invested further.