

INVESTMENT ASSIGNMENT SUBMISSION

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Spark Funds : Investment Portfolio

Investment Criteria :

1. 5 to 15 million USD per round of investment
2. Prefers English-speaking countries

Investment Strategy :

1. Invest where most others investors are investing

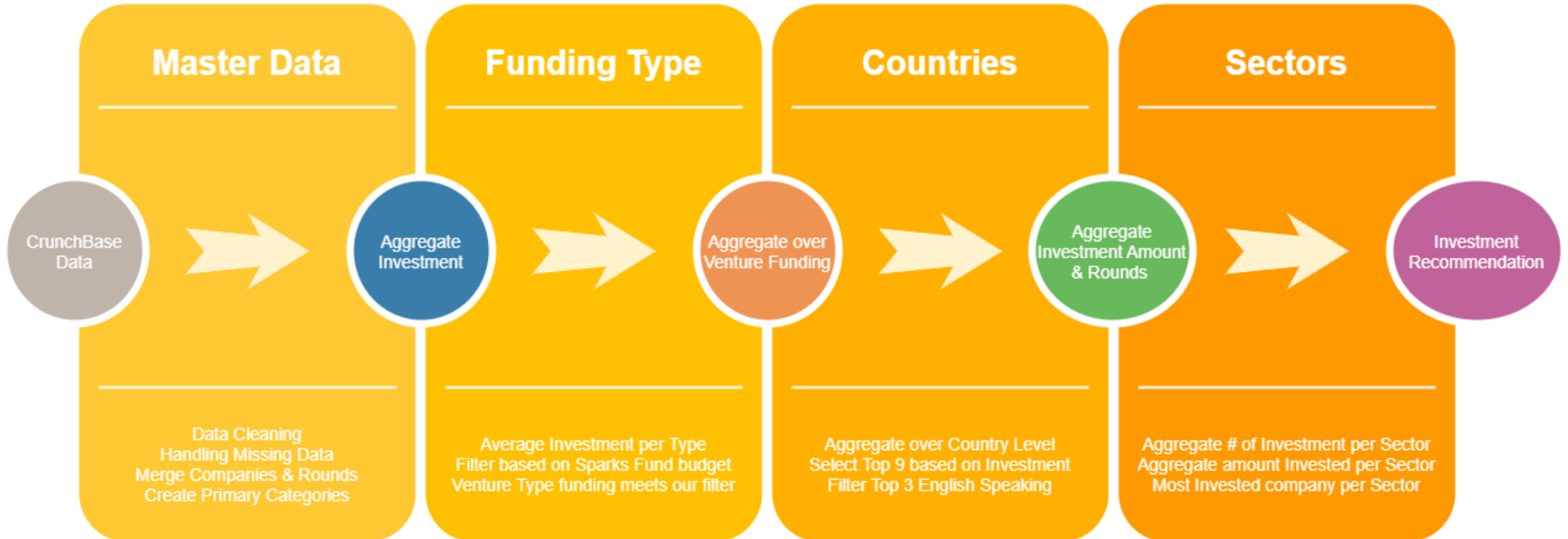
Business Requirement :

1. Identifying the Funding Type
2. Select Top 3 countries for investment
3. Select Top 3 Sectors for investment

Assumptions :

1. Ignoring data from start-ups that closed.
2. Ignoring data where investment amount & country of investment is unknown/undisclosed.
3. Treating the first category as the primary category of work for the start-up.
4. We ignore categories not mapped to the defined Sectors.

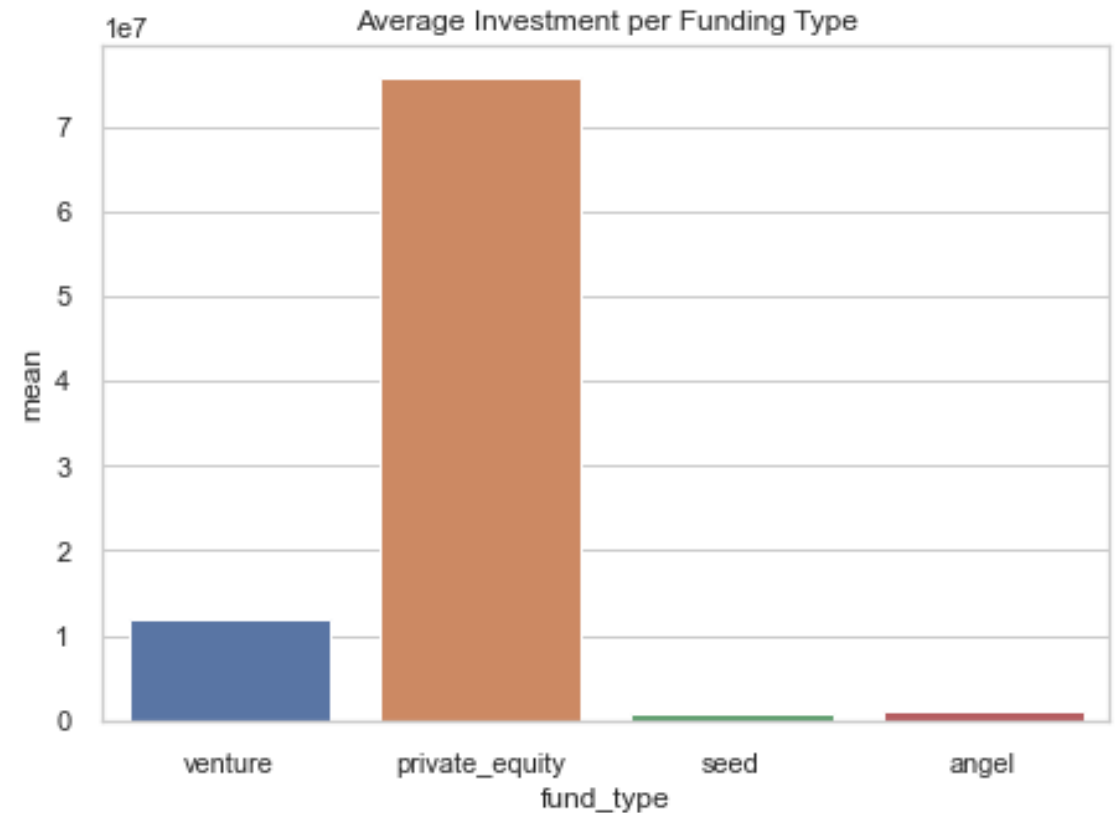
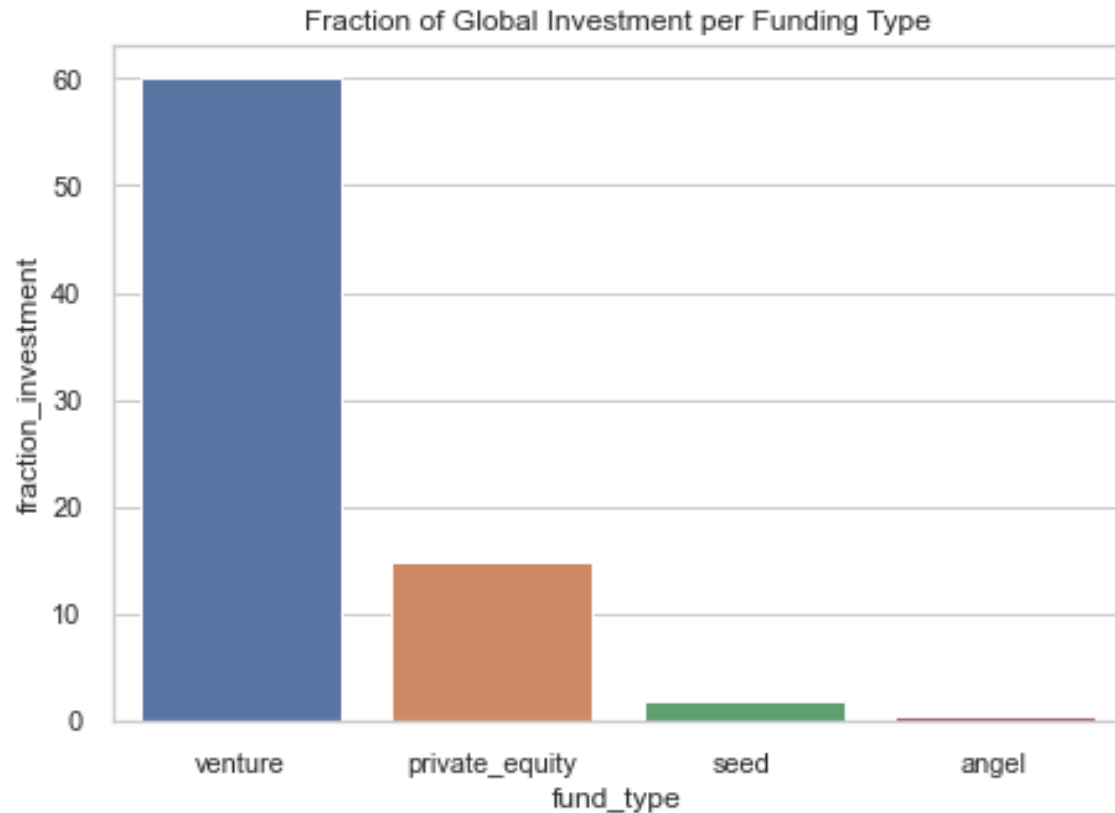
Step-by-Step Analysis



Key Observations

1. A total of 66368 start-ups/companies were used for analysis.
2. A total of 114949 rounds of investment data was available.
3. A total of ~990 Billion USD has been invested in start-ups.
4. Our data was sourced for 137 Countries.
5. Out of these 8725 start-ups closed their operations.
6. Broadly the start-up focused on one or more of the 688 categories
7. The categories were grouped into 8 sectors.
8. A clear choice emerged for investment options based on Spark Funds requirement constraints.

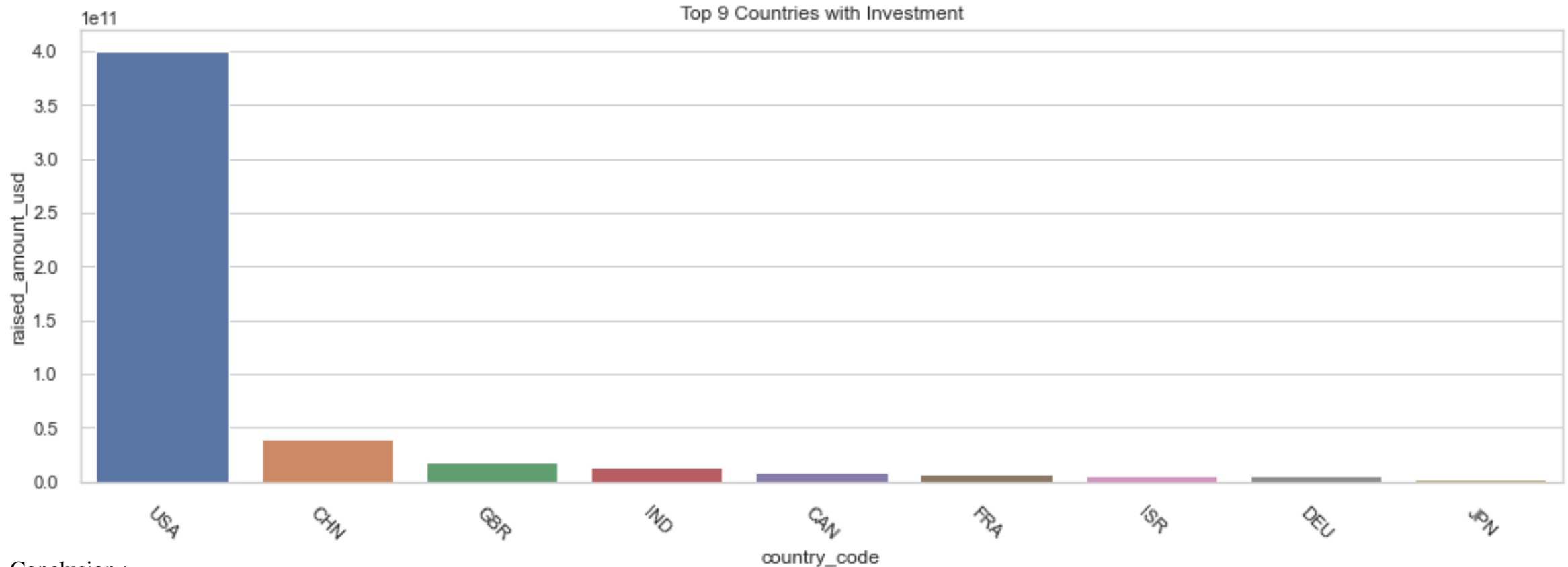
Fund-Type Analysis



Conclusion :

1. Venture Funding Type is the most popular and chased mode of investment
2. On average Venture funding is ~11 million USD, which suits Spark Funds budget.

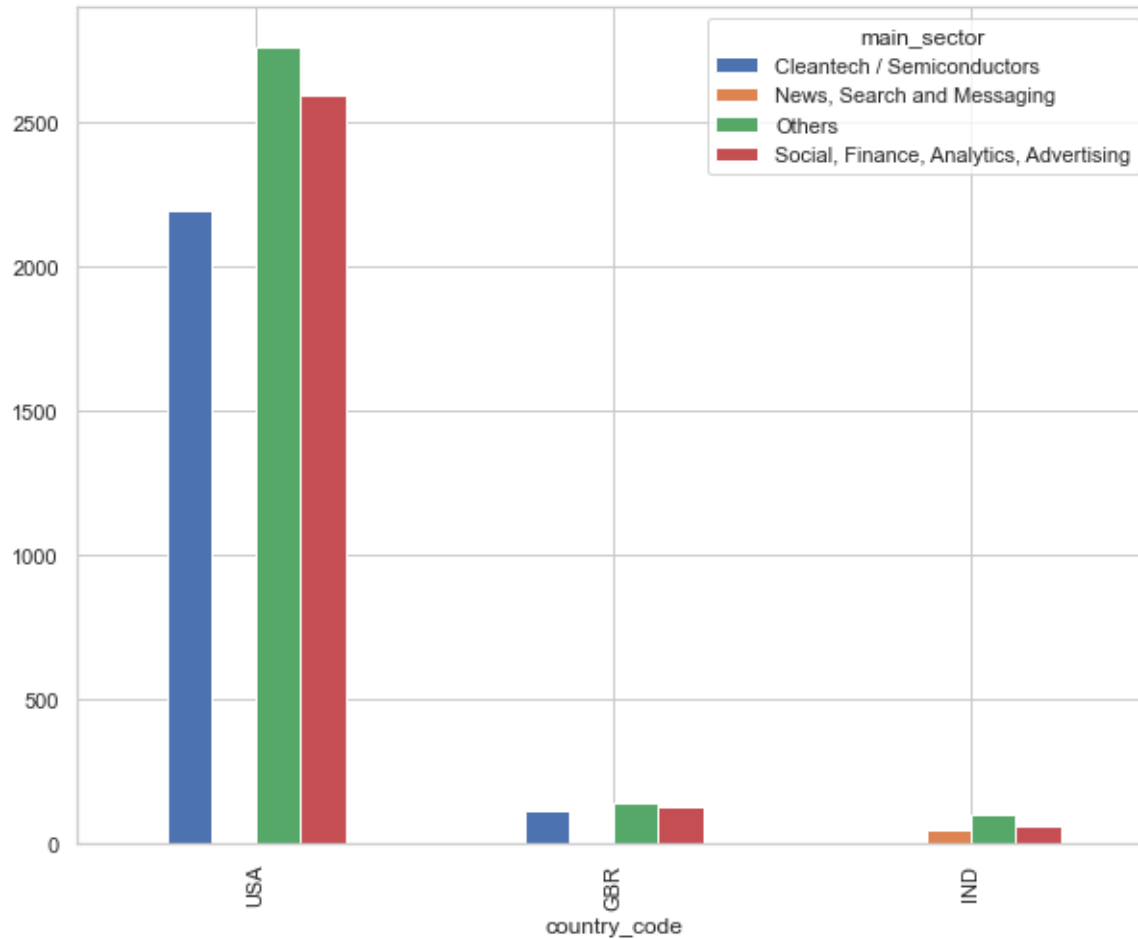
Country-Wise Analysis



Conclusion :

1. USA is the most favourable country for investment, completely out casting other countries.
2. China(CHN) being a non-English speaking country is not recommended for investment.
3. Great Britain (GBR) & India(IND) are the next most favourable destinations for investment.

Sector Analysis



Conclusion :

1. USA & GBR have the same sectors as the Top 3 sectors of investment
2. IND has 2 sectors in common with USA & GBR
3. Other sectors has been the most invested sector.
4. This shows investors chose to have a diverse investment portfolio

Investment Recommendation

Based on our analysis, with the business requirement & constraints, we suggest the following :

1. The best investment type for Sparks Fund in 5-15M USD range is **Venture Capital**
2. The 3 English speaking countries for Venture Capital investment, based on maximum investment received should be :
 - i. United States of America (USA)
 - ii. Great Britain (GBR)
 - iii. India (IND)
3. The top sectors for investing in the above countries are :
 - i. **USA & GBR** : 'Others', 'Social, Finance, Analytics, Advertising', 'Cleantech / Semiconductors'
 - ii. **IND** : 'Others', 'Social, Finance, Analytics, Advertising', 'News, Search and Messaging'