

INVESTMENT CASE STUDY

SUBMISSION

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Abstract

Spark Funds, an asset management company, wants to make investments in a few companies based on the the global trends.

There are two minor constraints:

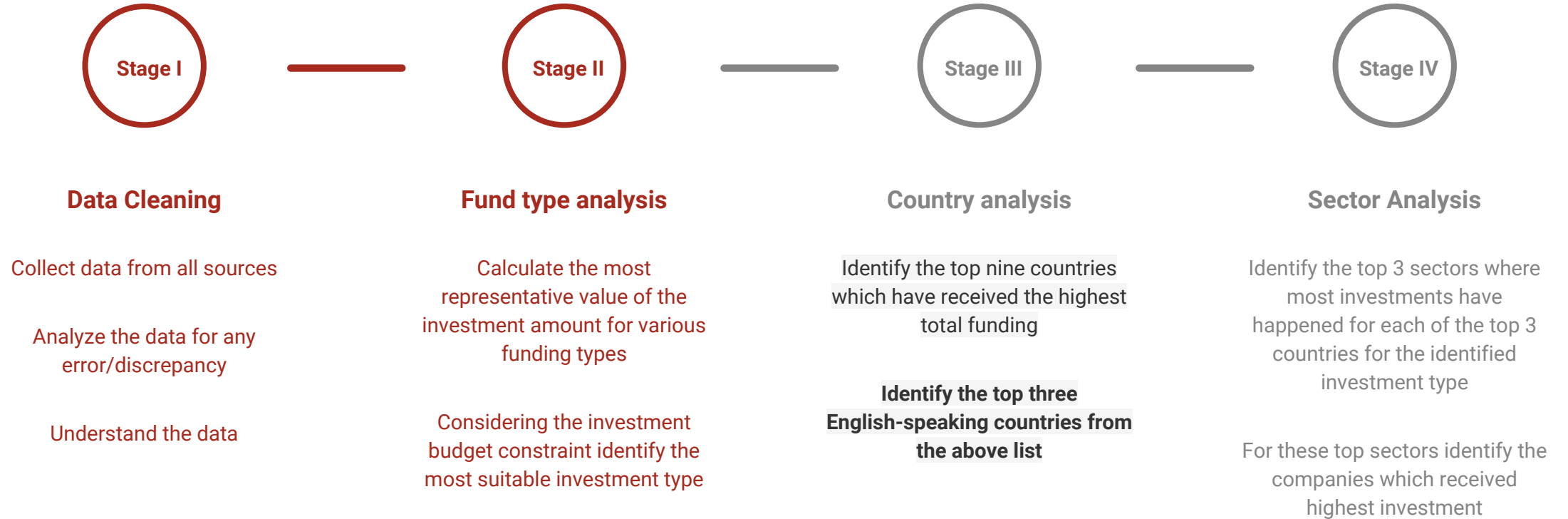
1. Investment amount should be between 5 to 15 million USD per round of investment.
2. Investment should be done only in English-speaking countries because of the ease of communication

The business objective is to identify the best sectors, countries, and a suitable investment type for making investments by following the strategy the 'best' sectors and countries are the ones 'where most investors are investing'.

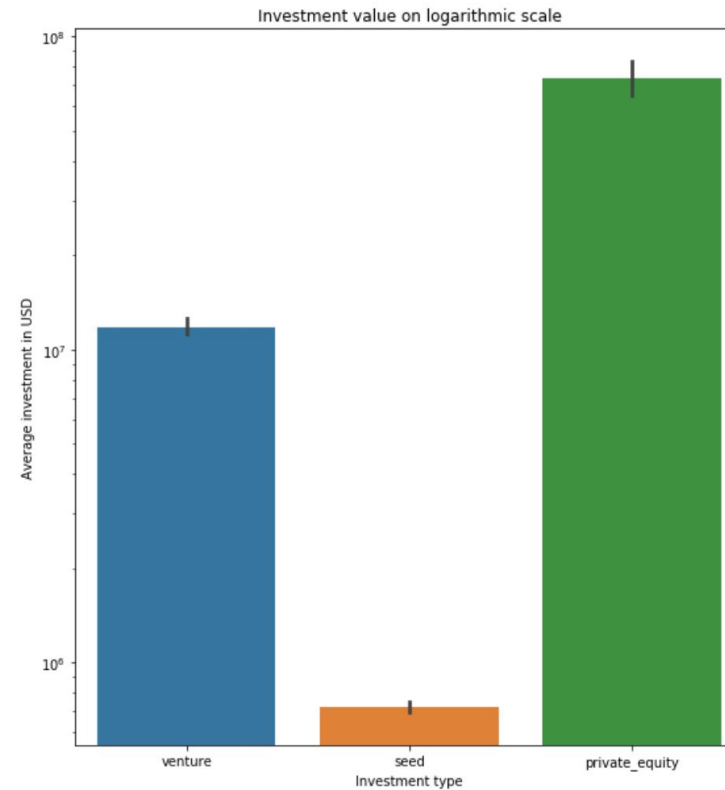
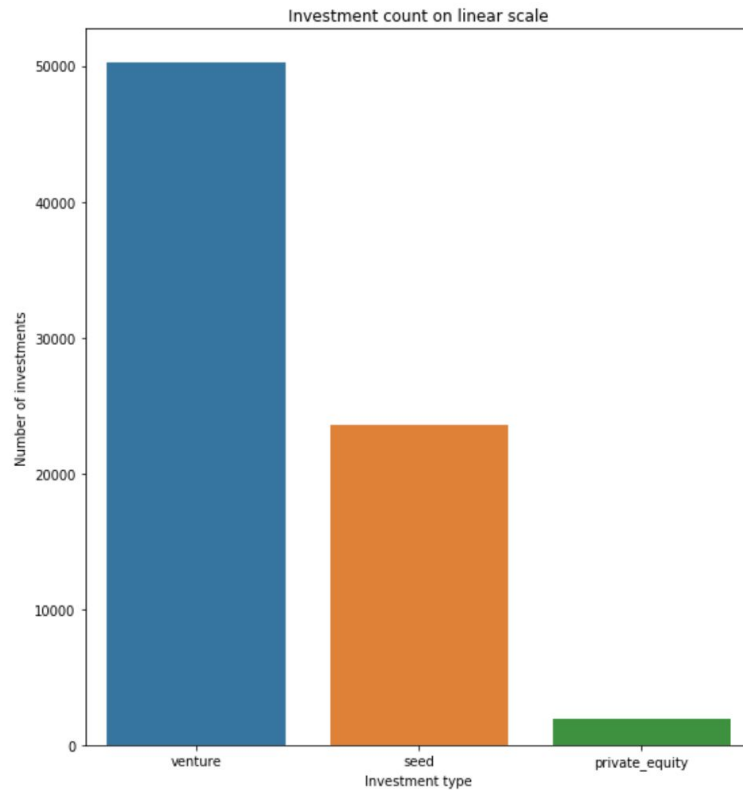
The business goals are divided into three sub-goals:

1. Identify the investment type by comparing the investment amounts in different investment types.
2. Identify the countries which have been the most heavily invested in the past.
3. Identify the top sectors for distribution of investments.

Problem solving methodology



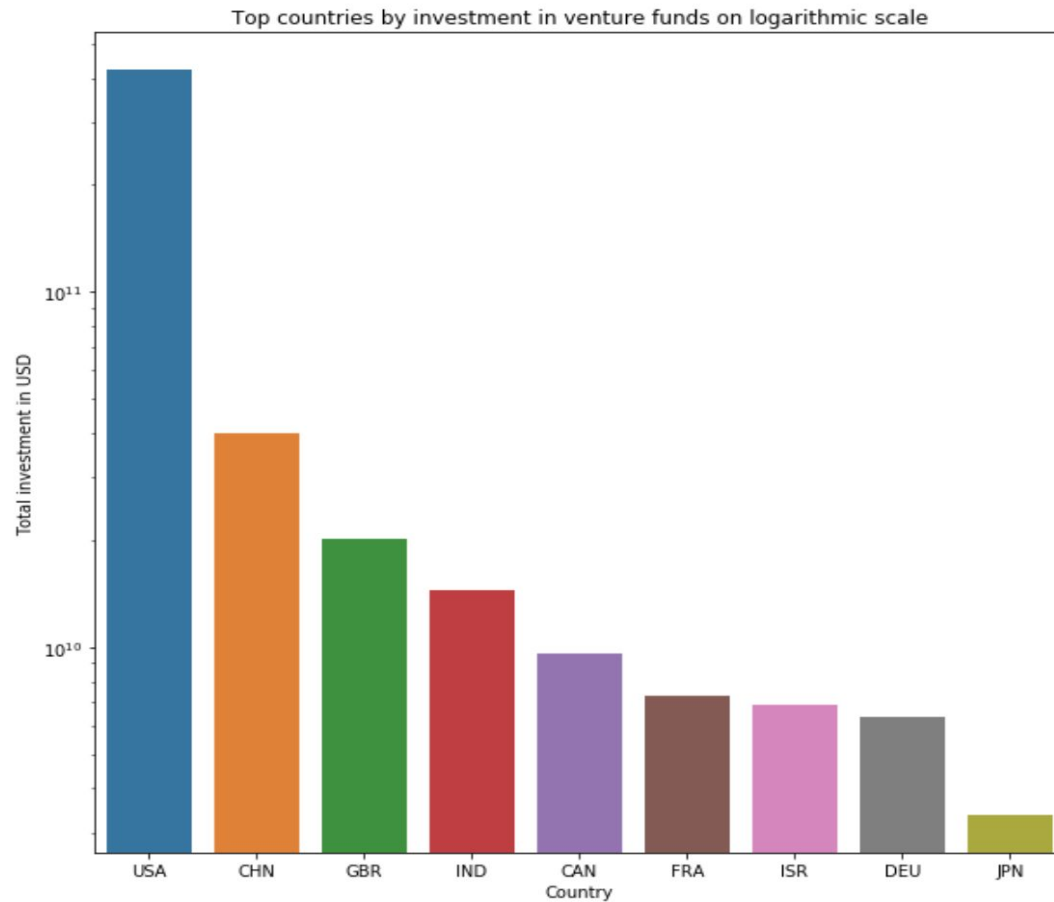
Fund type analysis



- **venture** is one of the most invested type attracting ~50000 investments
- the average investment for a venture investment is ~10 million

Since the average investment value of venture type is in the acceptable range of 5 - 15 M, **venture** can be considered a suitable investment type

Country analysis



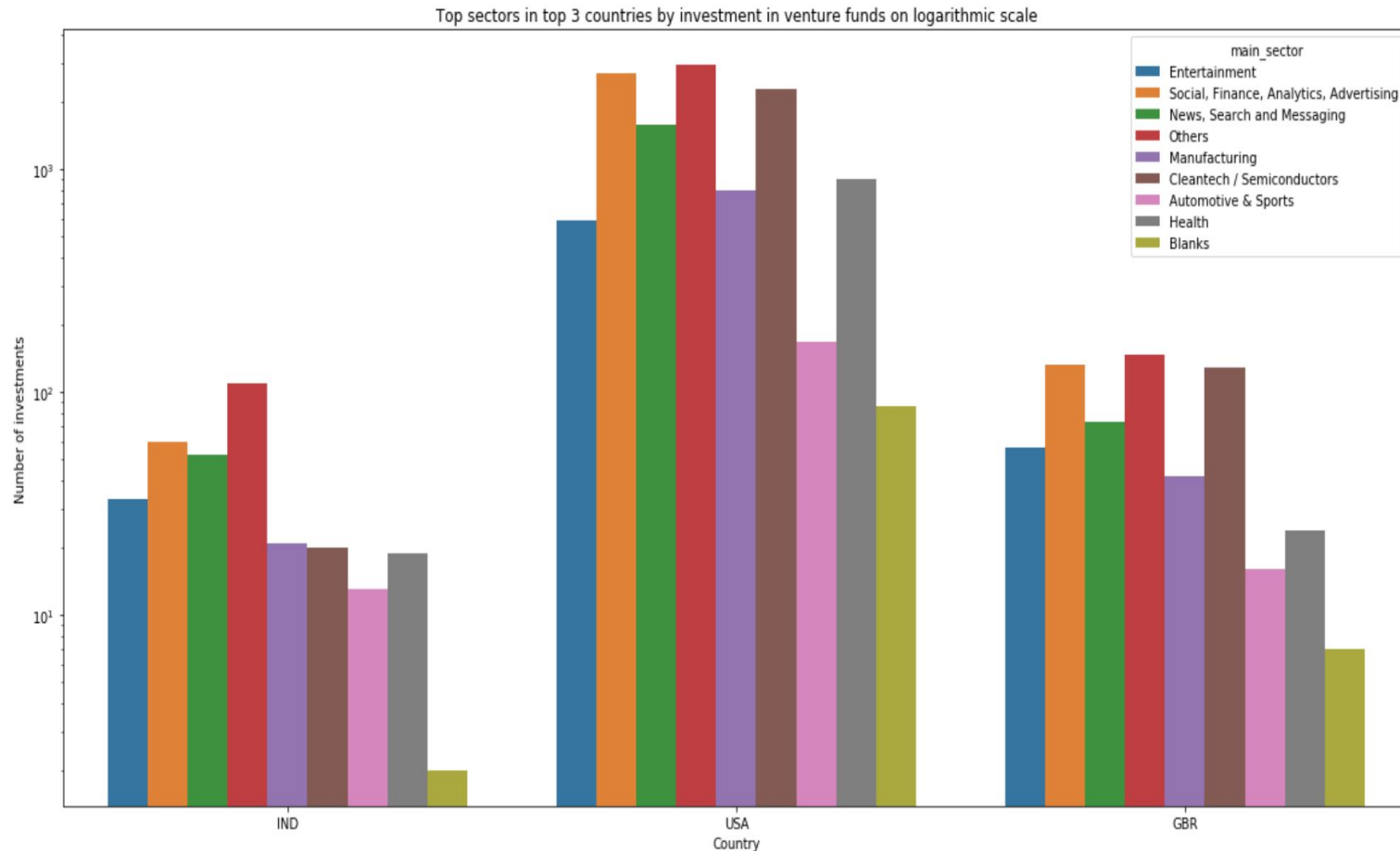
- USA is the most popular country for venture investment with overall investment > 400 billion USD
- China is the second popular choice with overall investment of ~ 40 billion USD
- United Kingdom and India are next popular choices with 20 & 14 billion USD respectively

Since China is a non english speaking country*, following the constraint of investing in english speaking countries, the top 3 choices are:

- United States
- United Kingdom
- India

*A country is considered to be English speaking only if English is one of the official languages in that country

Sector Analysis



- Social, Finance, Analytics, Advertising is one of the most popular sectors in all of the top 3 english speaking countries
- New, Search and Messaging are also popular sectors for investment
- Cleantech/Semiconductors attract high investment in USA and UK but is not as popular in India
- Health sector fares well in US but not in UK and India
- Automotive and Sports sector are not favorites in any of the top 3 countries

Top 3 sectors

- Others (USA, UK, India)
- Social, Finance, Analytics (USA, UK, India)
- Cleantech/Semiconductors (USA & UK)
- New, Search and Messaging (India)

Top companies in country and sector

country_code	main_sector	name	raised_amount_usd
USA	Cleantech / Semiconductors	Freescall Semiconductor	17,600,000,000.00
USA	Social, Finance, Analytics, Advertising	MediaVast	4,700,000,000.00
USA	Others	SoFi	1,000,000,000.00
GBR	Cleantech / Semiconductors	Immunocore	320,000,000.00
GBR	Social, Finance, Analytics, Advertising	Mereo	119,000,000.00
GBR	Others	OneWeb	500,000,000.00
IND	Others	Flipkart	1,000,000,000.00
IND	News, Search and Messaging	Quikr	150,000,000.00
IND	Social, Finance, Analytics, Advertising	ShopClues.com	100,000,000.00

Result

Following the global trends, the investment as per the constraints should be as follows:

Investment type	venture
Investment amount	~ 10 M USD per round

Countries	United States	United Kingdom	India
Sectors	Others	Others	Others
	Social, Finance, Analytics, Advertising	Social, Finance, Analytics, Advertising	Social, Finance, Analytics, Advertising
	Cleantech / Semiconductors	Cleantech / Semiconductors	News, Search and Messaging