



# INVESTMENT ASSIGNMENT SUBMISSION

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## **Problem Definition:**

Spark Funds wants to make investments in a few companies.

The CEO of Spark Funds wants to understand the global trends in investments so that she can take the investment decisions effectively.

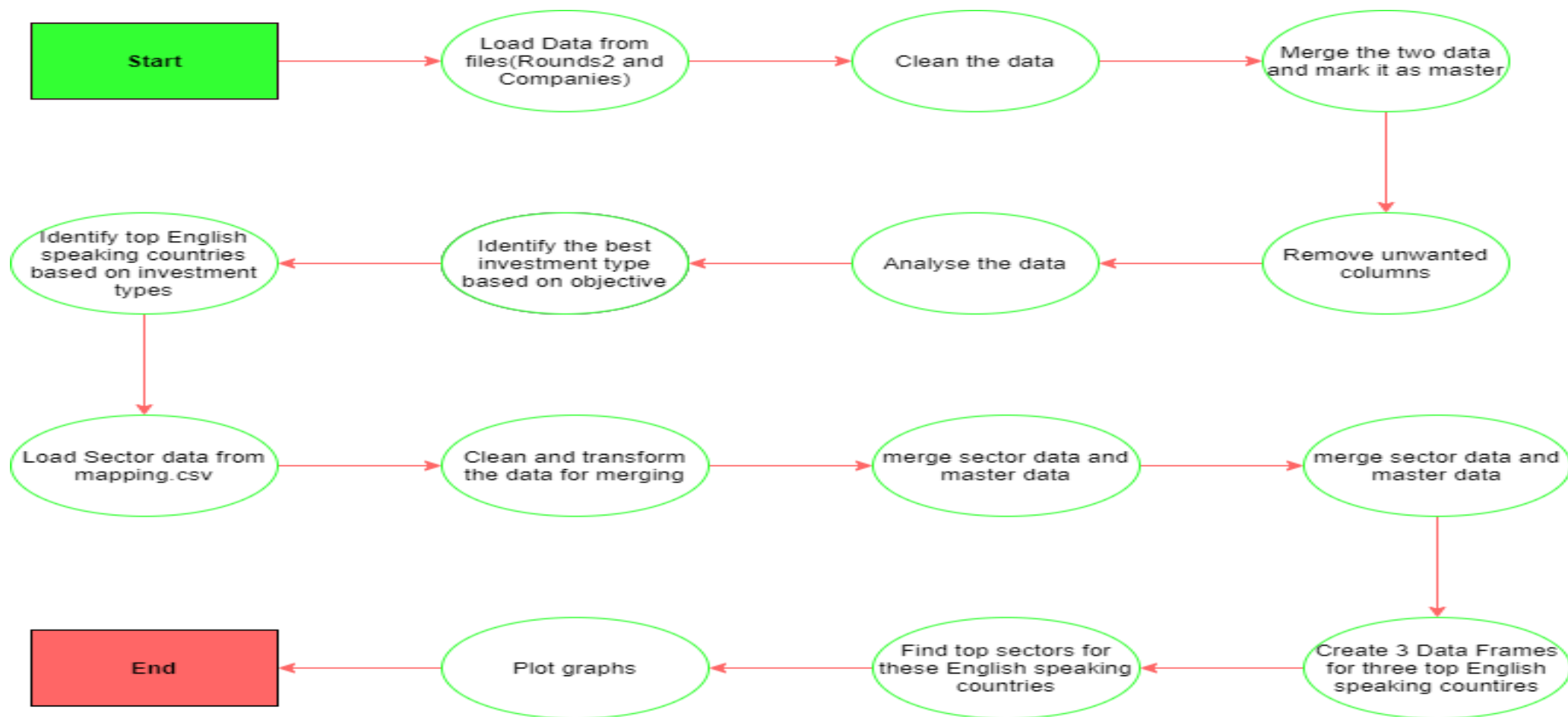
Spark Funds has two minor constraints for investments:

- 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

## **Objective:**

The objective is to identify the best sectors, countries, and a suitable investment type for making investments.

# FLOW CHART



## Funding Type Analysis

Based on the requirement, Spark Funds wants to invest an amount between 5 to 15 million USD in one of the 4 investment types. From the table we can see the best investment type for spark funds based on their requirement is *Venture*.

### **Note:**

**The amount shown are per million USD**

	Raised Amount(per million USD)		
Investment Type	count	mean	median
Angel	4400	0.971574	0.414905
Private Equity	1820	73.938486	20
Seed	21095	0.747794	0.3
<b>Venture</b>	47809	<b>11.724223</b>	5

# Country Analysis

From the previous analysis we have seen that **venture investment** is best suited for spark industry. As the next step, we calculated the investment amount of venture investors in different countries. Since they are interested in English speaking countries alone, the top 3 English speaking countries with highest investment amounts are **USA,UK and INDIA**. The given tables shows the top 9 investment countries of “**Venture Investments**” among which the highlighted countries are English speaking

**Note:**  
**The amount shown are per million USD**

Top Venture Invested Countries	
Country	Investment amount per million USD
USA	420068.03
CHN	39338.91872
GBR	20072.81306
IND	14261.50872
CAN	9482.21766
FRA	7226.85136
ISR	6854.35048
DEU	6306.92199
JPN	3167.6471

# Sector Analysis

Based on SPARKS preference, we have considered sectors only from the top 3 English speaking countries with an investment funds within range of 5 to 15 million USD.

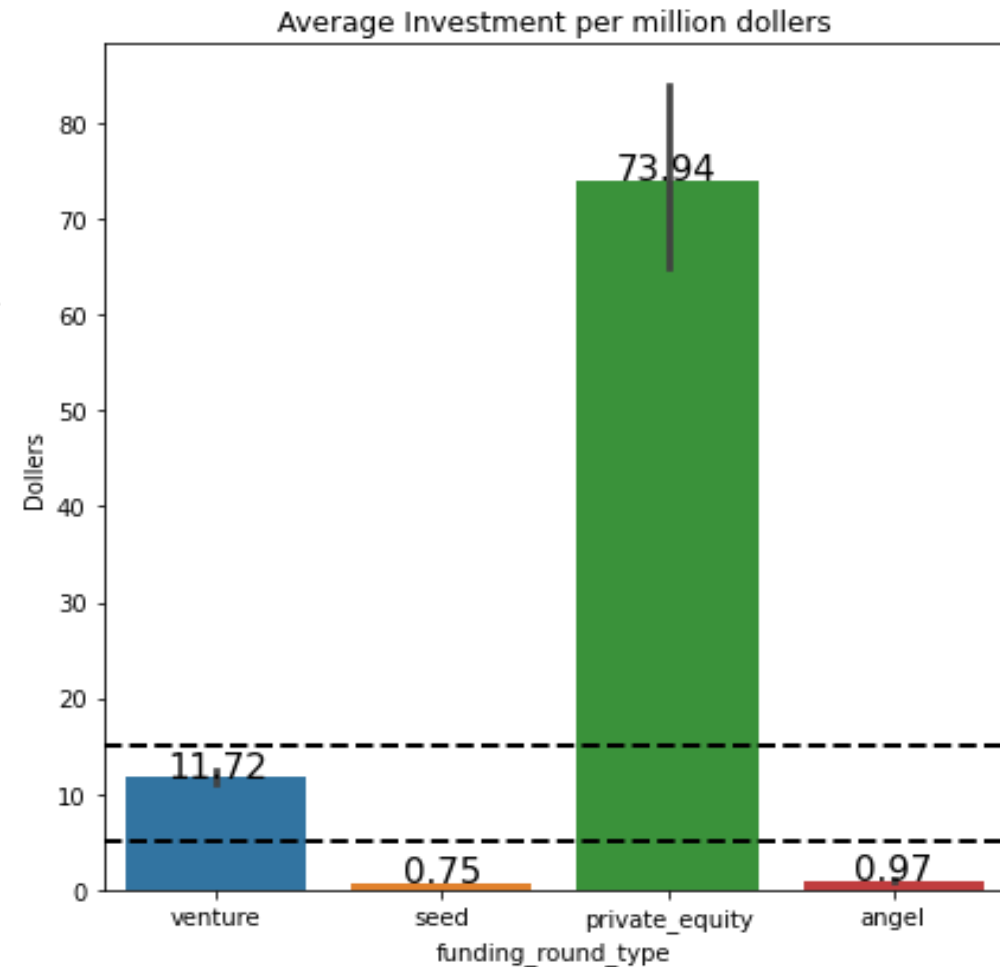
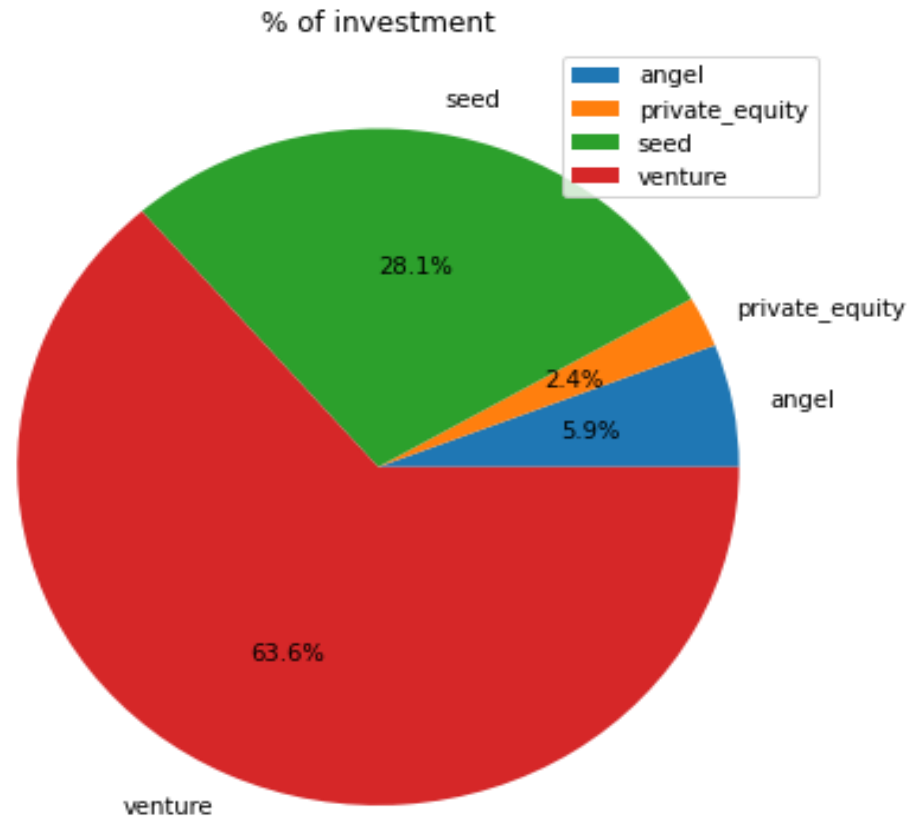
From our previous analysis we have found that the top three English speaking countries are USA,UK and India.

From the analysis we can see that, the major sector where the top 3 countries invest are others.

**Note: The investment amount shown in the table are per million USD**

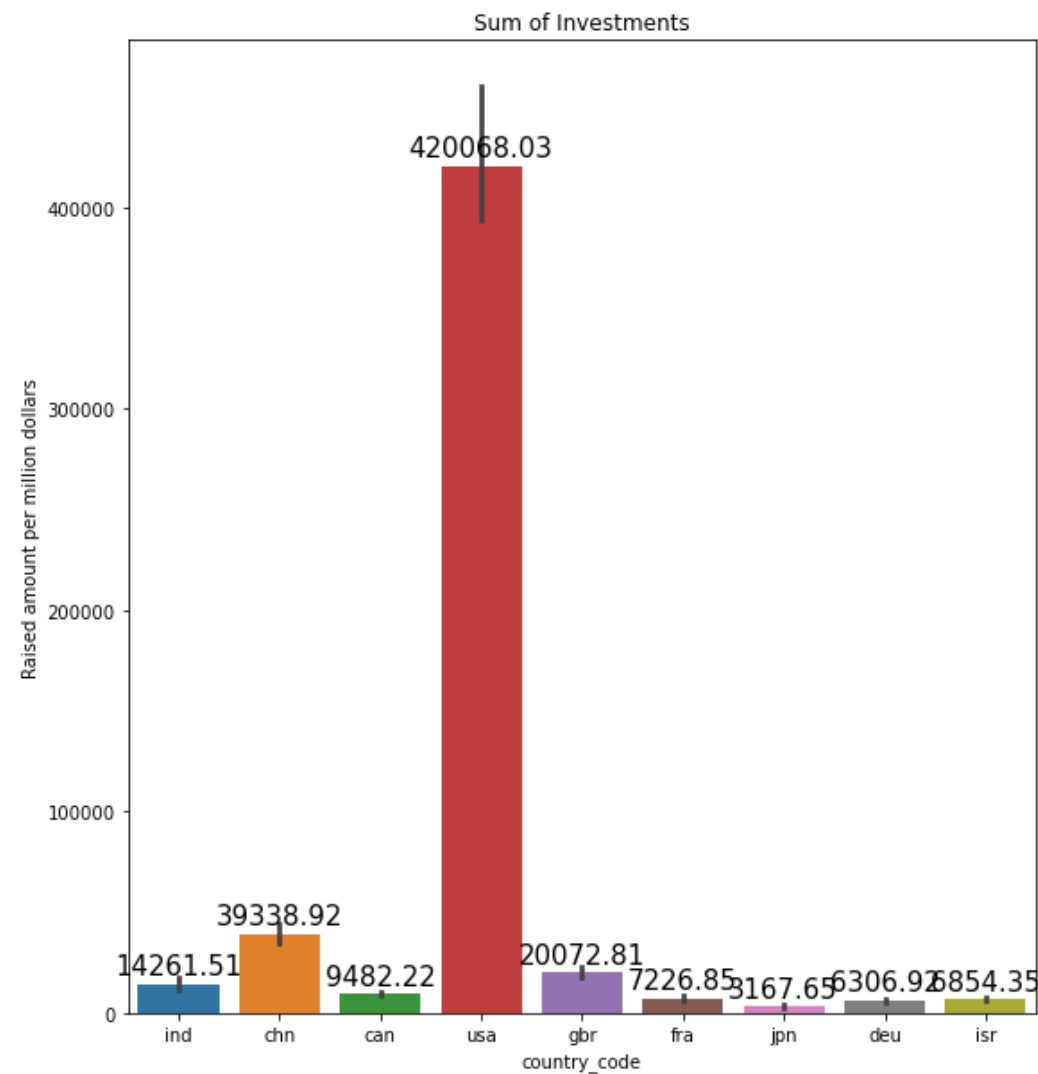
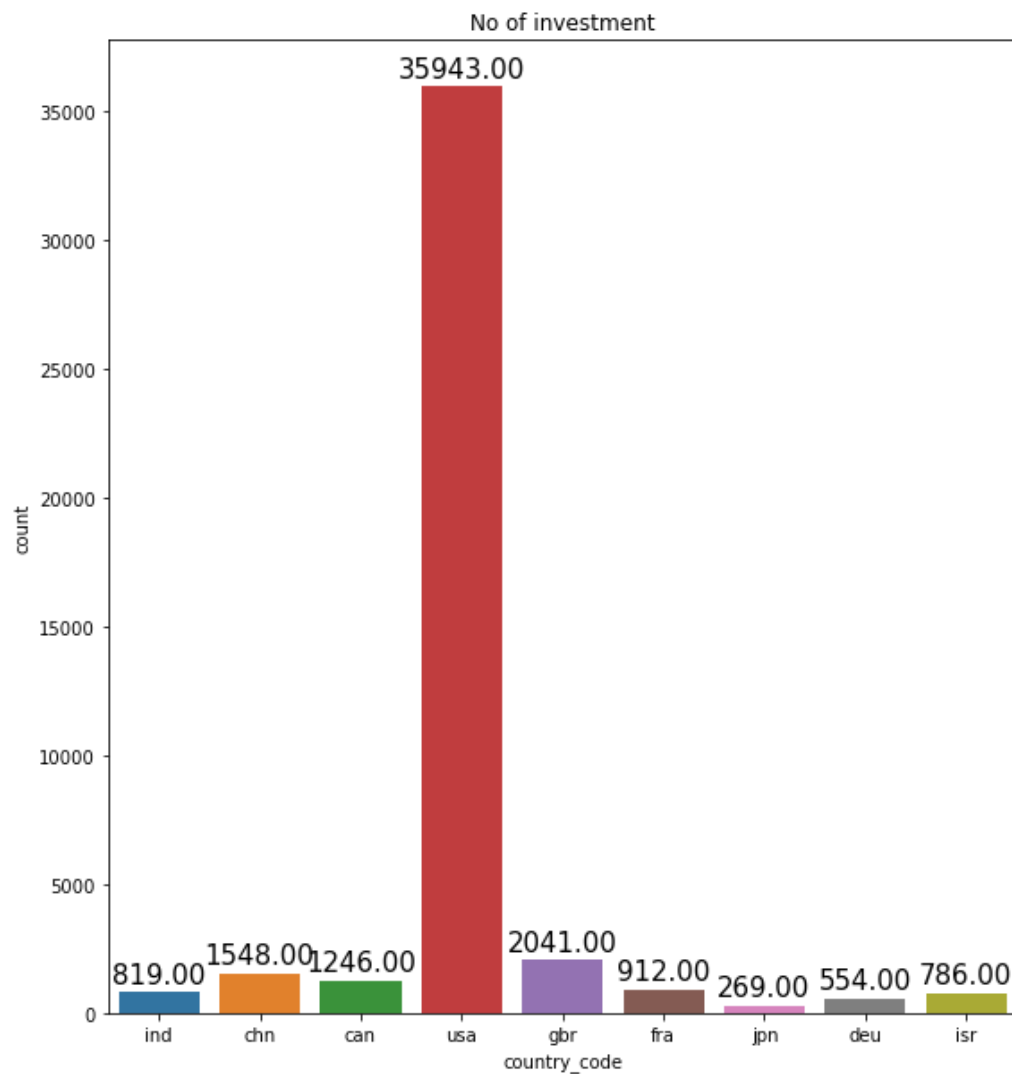
Table 5.1			
	USA	GBR	IND
1. Total number of investments (count)	12082	622	328
2. Total amount of investment (USD)	107912.0975	5394.07877	2949.54361
3. Top sector (based on count of investments)	others	others	others
4. Second-best sector (based on count of investments)	social, finance, analytics, advertising	social, finance, analytics, advertising	social, finance, analytics, advertising
5. Third-best sector (based on count of investments)	cleantech / semiconductors	cleantech / semiconductors	news, search and messaging
6. Number of investments in the top sector (refer to point 3)	2955	148	110
7. Number of investments in the second-best sector (refer to point 4)	2717	133	60
8. Number of investments in the third-best sector (refer to point 5)	2354	130	52
9. For the top sector count-wise (point 3), which company received the highest investment?	virtustream	electric cloud	firstcry.com
10. For the second-best sector count-wise (point 4), which company received the highest investment?	sst inc. (formerly shotspotter)	celtick technologies	manthan systems

**Plot 1 – Funding Type Analysis**  
**Percentage of Investments and the average amount per funding type**



## Plot 2 – Top 9

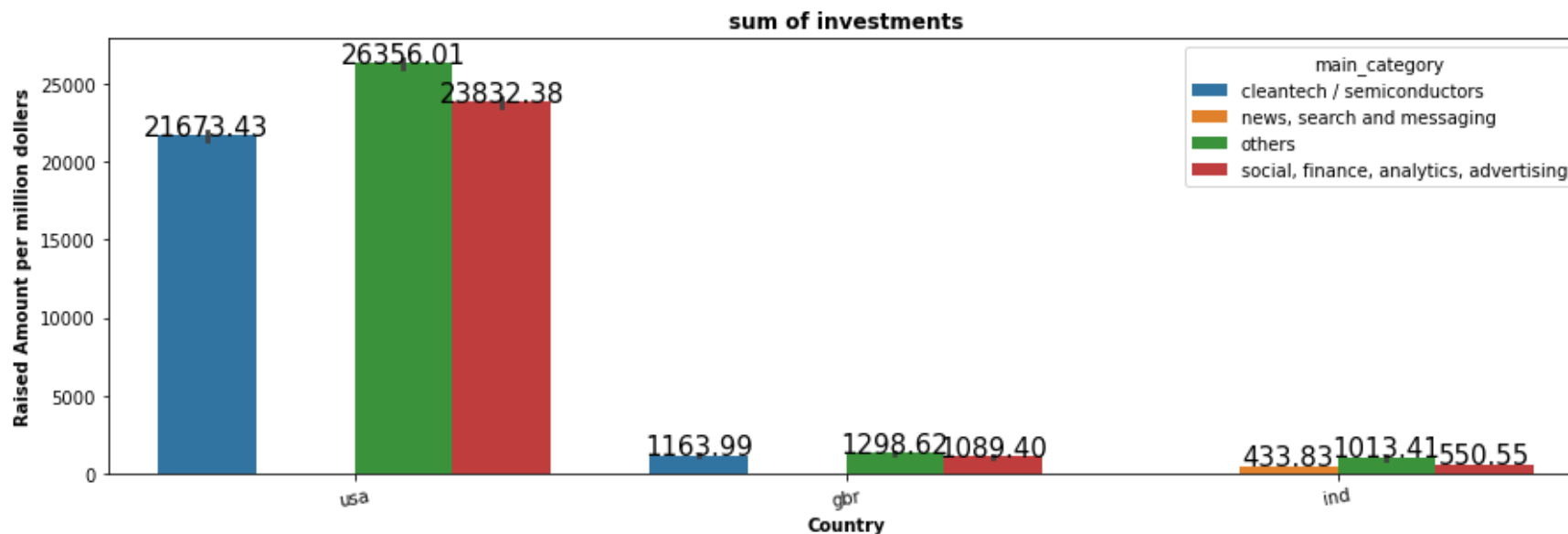
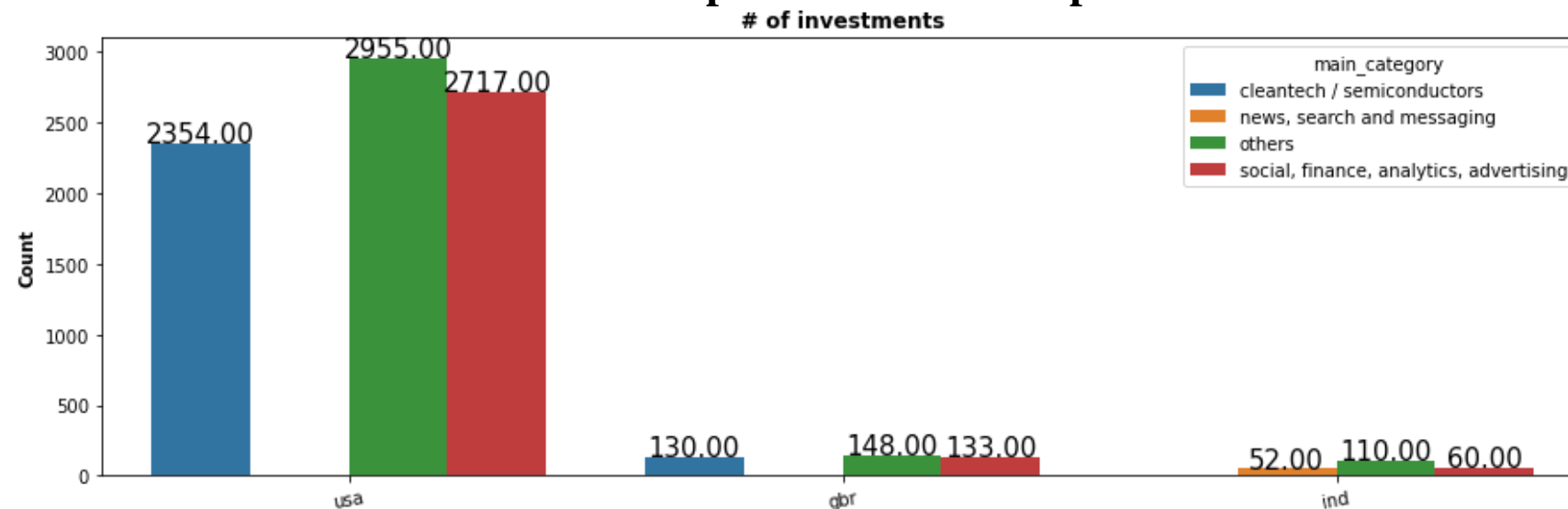
### Number and sum of Investment of top 9 countries





## Plot 3 – Sector Analysis

Number and sum of Investment of top 3 sectors of the top 3 countries



## *Conclusions*

Based on the analysis and observation from the given data, the recommendation for Spark industry are as below

1. To invest in venture funding rounds with an average investment of **11.7 million USD**
2. To invest in top 3 English speaking counties with investment distributed in the ratio
  1. **USA = 93%**
  2. **UK = 4%**
  3. **IND = 3%**
3. The top sectors for investments are
  1. **Others**
  2. **Social, Finance, Analytics and advertisement**
  3. **Clean Tech/Semi Conductors**
  4. **News Research and Messaging**