Investment Analysis

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META-DATA AND DATA UNDERSTANDING

- Desired Investment as investor ranging between 5 to 15 million per round of investment.

- Investment in English speaking because of the ease of communication. Identifying these regions and sectors of top investments.

- **Objective and Goal of data analysis** :

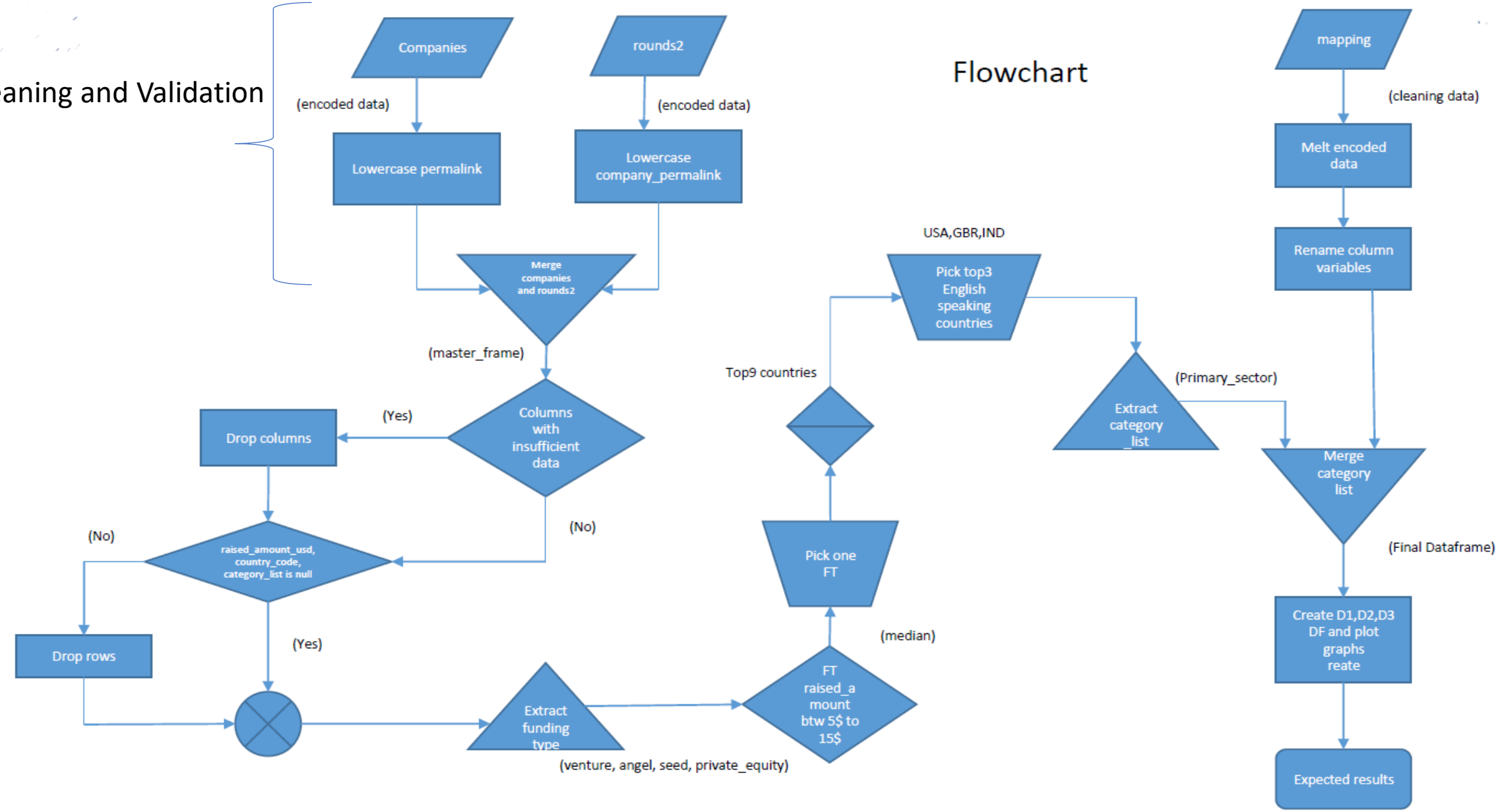
  - Objective is to identify the best sectors, countries and a suitable investment type for making investment. The overall strategy is to invest where others are investing, implying that “best” sectors and countries are the ones “where most investors are investing”.

  - **Investment type analysis** : Comparing the typical investment amounts in the venture, seed, angel, private equity.

  - **Country Analysis** : Identifying the countries which have the most heavily invested in the past.

  - **Sector Analysis :** Understanding the distribution of investments across the eight main sectors(provided in ***Mapping file*****.** The two files – ***companies*** and ***round2*** have numerous sub sector names; hence, it is needed to map each sub sectors to its main sector)

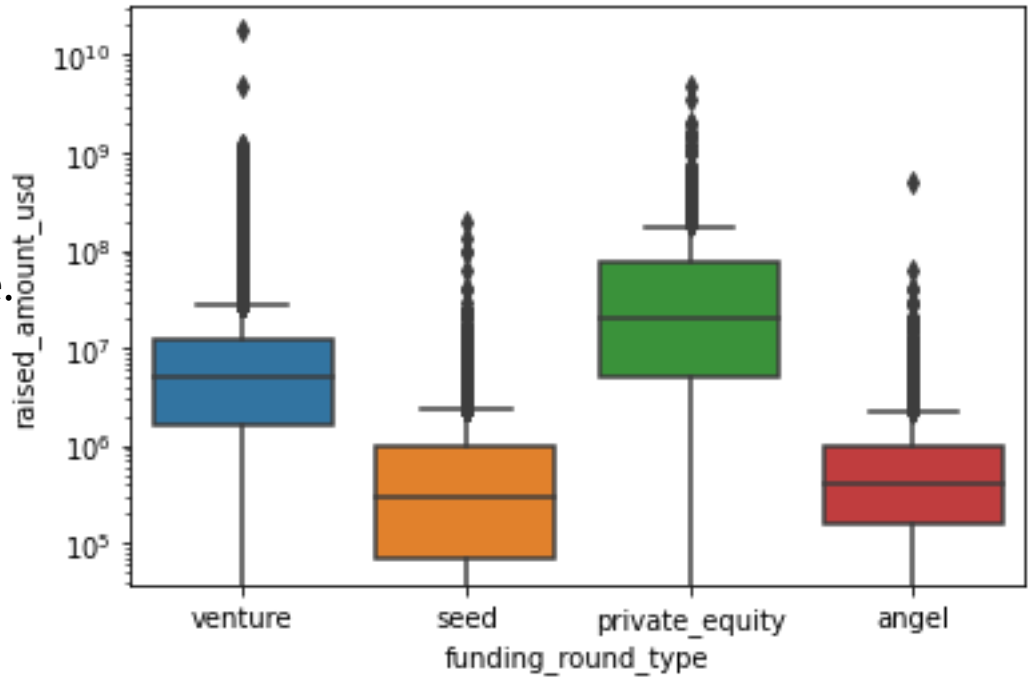
Data Cleaning and Validation



1. Investment Type Analysis

Comparing the investments in the four funding type = **Angel, Venture, Seed, Private Equity.**

- Calculating the average funding amount for each of the four funding types
- Choosing the most representative value as “Median”.
- Only one type of funding type falls between 5 to 15M USD, which is Venture.
- Hence, choosing “Venture” as the best funding type.




```
In [48]:
1 # compare the median investment amount across the types
2 df.groupby('funding_round_type')['raised_amount_usd'].median().sort_values(ascending=False)
```

```
Out[48]: funding_round_type
private_equity    20000000.0
venture            5000000.0
angel               414906.0
seed                300000.0
Name: raised_amount_usd, dtype: float64
```

2. Country Analysis

•Invest only in English-speaking countries.

•Creating a data frame of top9 countries with “Venture” as the funding type.

•Based on the analysis, the top 3 English speaking countries are USA, GBR and IND.

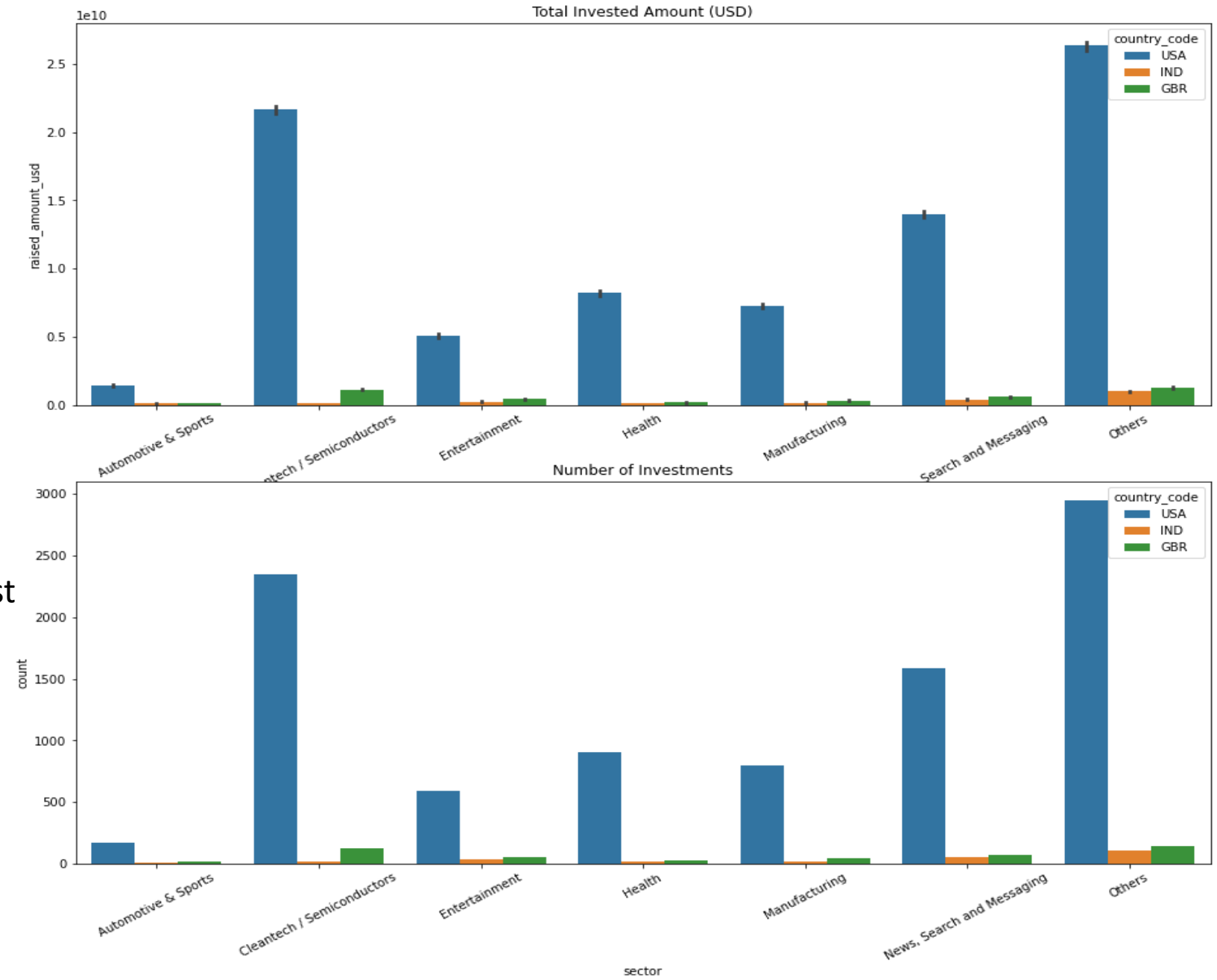
In [50]:
```
# top 9 countries
top_9_countries = country_wise_total[:9]
top_9_countries
```

Out[50]:
```
country_code
USA    4.200680e+11
CHN    3.933892e+10
GBR    2.007281e+10
IND    1.426151e+10
CAN    9.482218e+09
FRA    7.226851e+09
ISR    6.854350e+09
DEU    6.306922e+09
JPN    3.167647e+09
Name: raised_amount_usd, dtype: float64
```

Among the top 9 countries, USA, GBR and IND are the top three English speaking countries.

3.Sector Analysis

- Thus, the top country in terms of the number of investments (and the total amount invested) is the USA.
  The sectors 'Others', 'Social, Finance , Analytics and Advertising' ,'Cleantech/Semiconductors' and News, Search and Messaging are the most heavily invested ones.



Conclusions

- The most representative value is **“Median”.**

- The best funding type is **“Venture”.**

- Based on the analysis, the top 3 English speaking countries are **USA, GBR and IND.**

- Best sectors to invest in are:

1.Others
2.Social, Finance, Analytics, Advertising
3.Cleantech/ Semiconductors
4.News, Search and Messaging