

INVESTMENT CASE STUDY

SUBMISSION

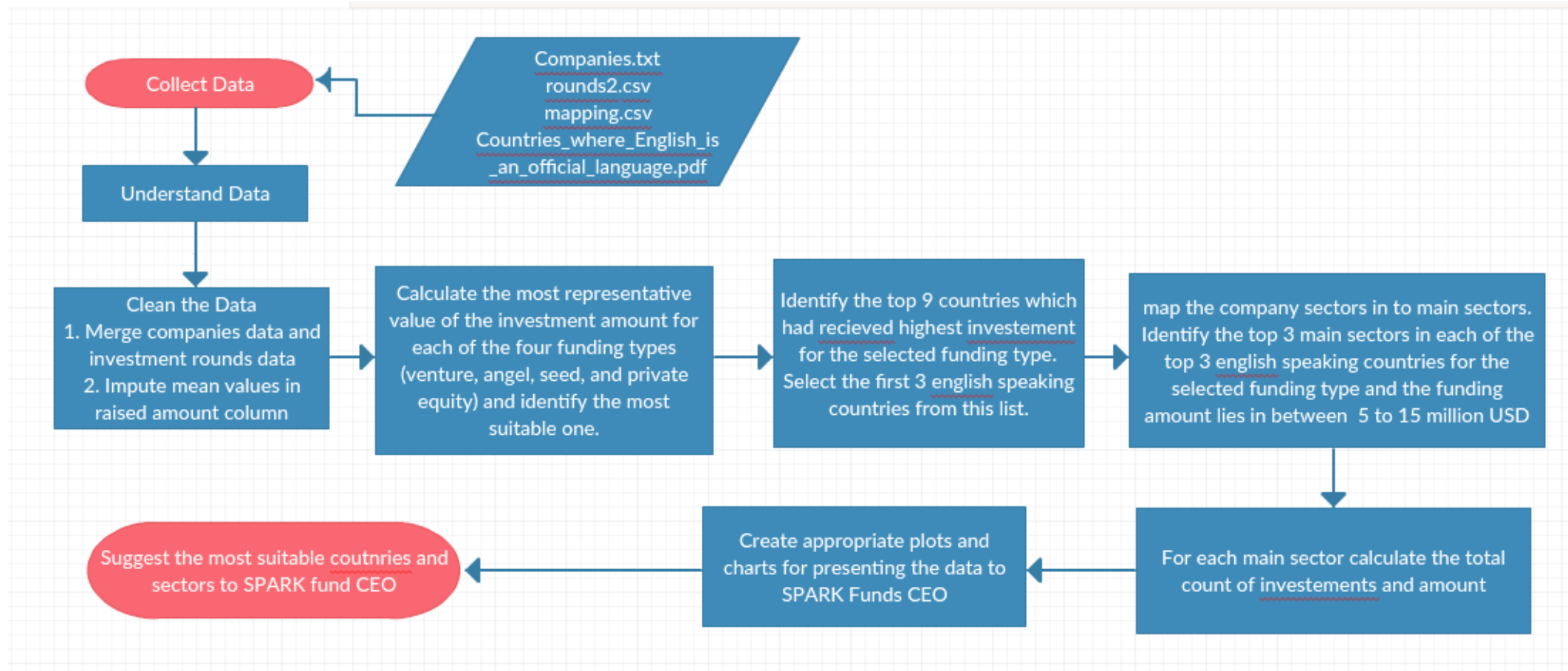
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To understand the global trends in investments so that CEO of Spark Fund can take the investment decisions effectively

- Spark Funds wants to find the best companies in top3 countries under top3 sectors to invest in within the constraints mentioned below:
 1. The investment should be made only in English-speaking countries and should be between 5 to 15 million USD per round of investment
 2. The investment should be made in the sector where most other investors are investing

- The project is to identify:
 1. Top3 countries among the countries that had the most investments in past and select them as preferred countries for Spark Funds.
 2. Most suitable investment type by understanding investments in venture, seed/angel, private equity categories etc. and identify which type is best suited for Spark Funds strategy.
 3. Most suitable sectors by understanding the distribution of investments across the 8 main sectors, and select the best sector for Spark Funds investment strategy.

Problem solving methodology



Understand the Data Set's

How many unique companies are present in rounds2?	66368
How many unique companies are present in the companies file?	66368
In the companies data frame, which column can be used as the unique key for each company? Write the name of the column.	PERMALINK
Are there any companies in the rounds2 file which are not present in companies ? Answer Y/N.	N
Merge the two data frames so that all variables (columns) in the companies frame are added to the rounds2 data frame. Name the merged frame master_frame. How many observations are present in master_frame ?	114949

Most suitable investment type is Venture Fund

Average funding amount of venture type	11623493
Average funding amount of angel type	2875945
Average funding amount of seed type	2920791
Average funding amount of private equity type	63704338
Considering that Spark Funds wants to invest between 5 to 15 million USD per investment round, which investment type is the most suitable for them?	VENTURE

Venture Fund is selected as it is the one which lies in the range of 5 to 15 Million USD

Top 3 English-Speaking Countries

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

- Spark Funds wants to invest in countries with the highest amount of funding for the chosen investment type as part of its broader strategy to invest where most investments are occurring.
- Spark Funds wants to see the top nine countries which have received the highest total funding (across ALL sectors for the chosen investment type)
- Identify the top three English-speaking countries in the data frame top9.

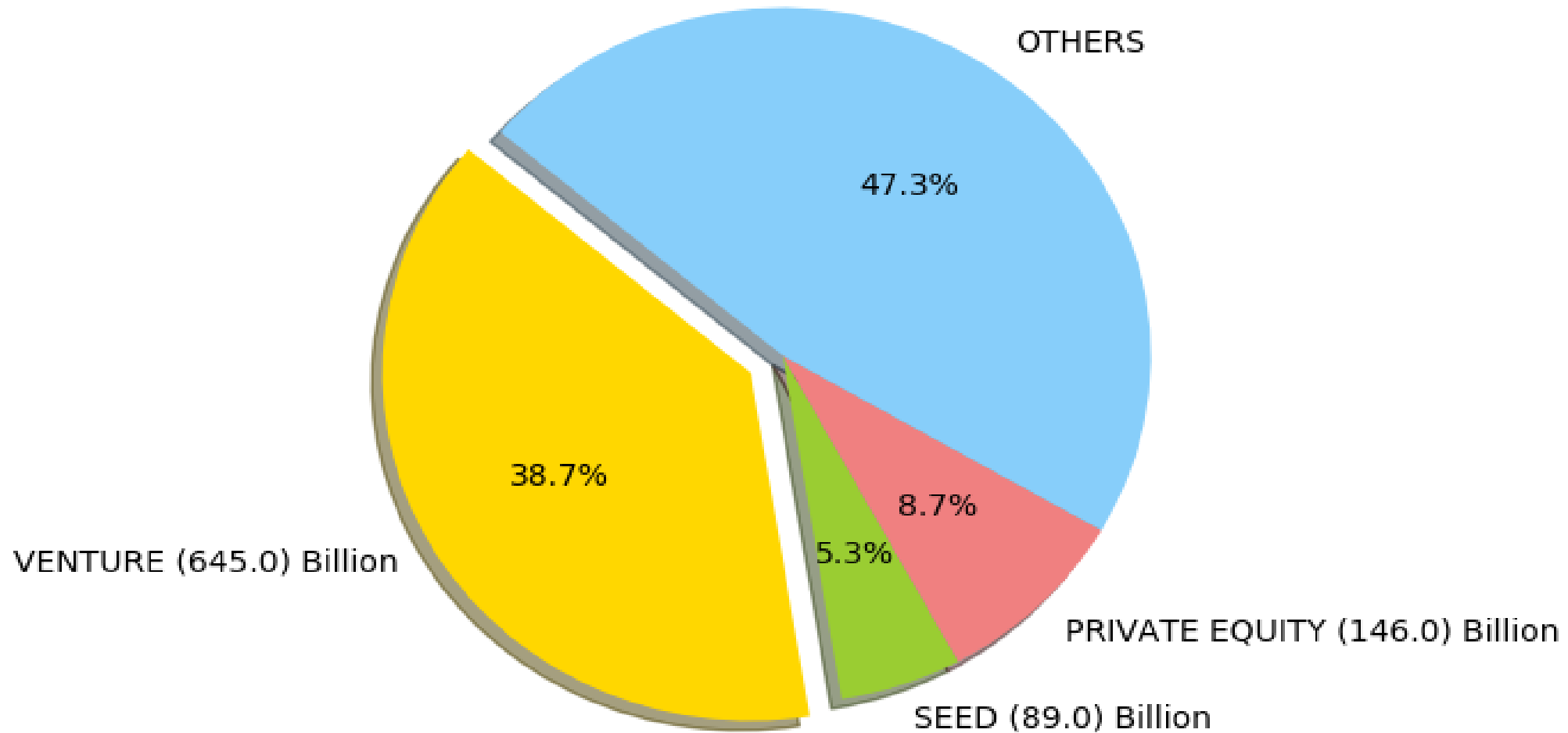
Top 3 Sectors

Total number of Investments (count)	40372	2265	984
Total amount of investment (USD)	4.68E+11	2.24E+10	1.60E+10
Top Sector name (no. of investment-wise)	Others	Others	Others
Second Sector name (no. of investment-wise)	Cleantech / Semiconductors	Social, Finance, Analytics, Advertising	Social, Finance, Analytics, Advertising
Third Sector name (no. of investment-wise)	Social, Finance, Analytics, Advertising	Cleantech / Semiconductors	News, Search and Messaging
Number of investments in top sector (3)	9847	615	355
Number of investments in second sector (4)	8416	460	172
Number of investments in third sector (5)	8010	456	154
For point 3 (top sector count-wise), which company received the highest investment?	SoFi	OneWeb	Flipkart
For point 4 (second best sector count-wise), which company received the highest investment?	Freescall Semiconductor	Mereo	ShopClues.com

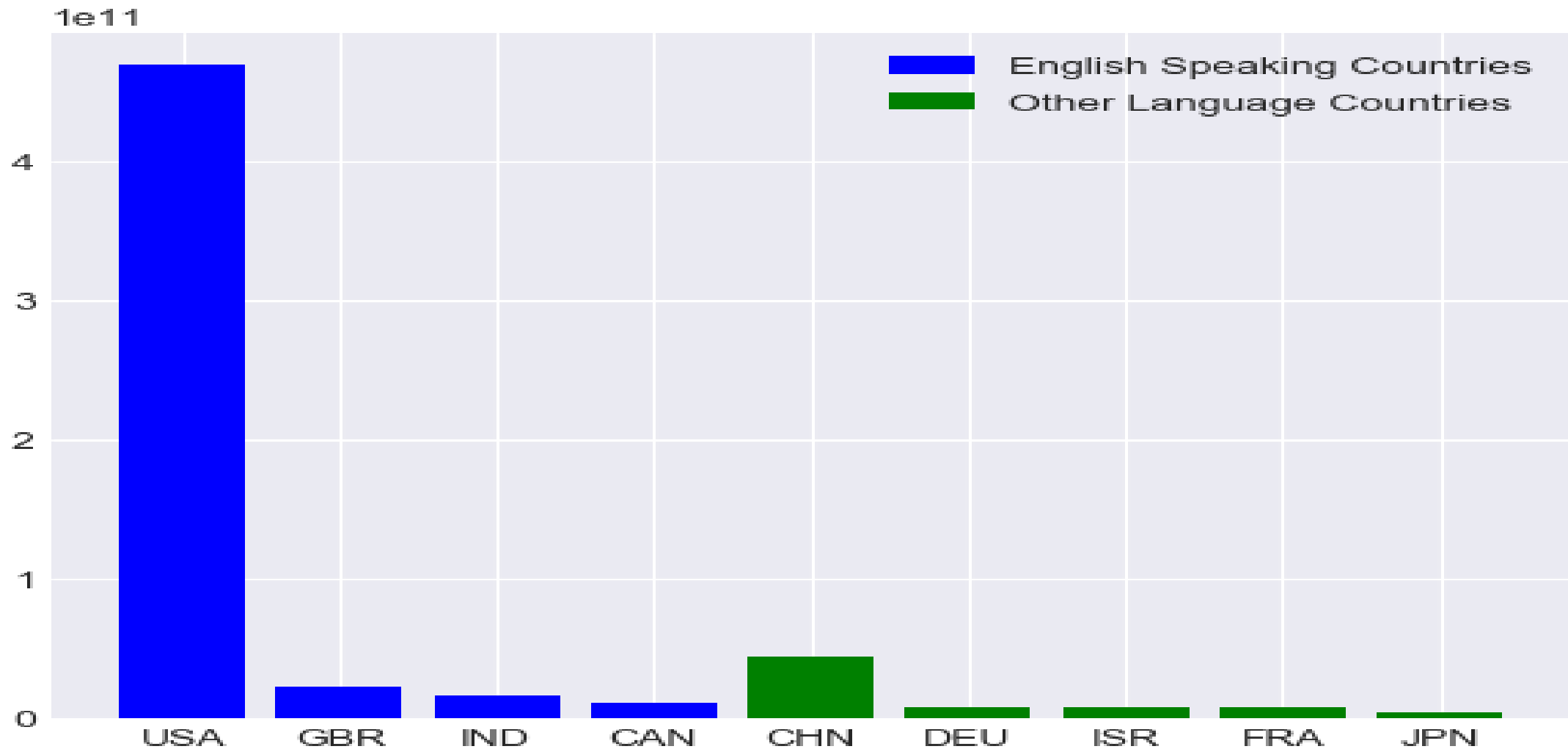
➤ The most heavily invested sector is “Others”.

➤ And the second preferred sector is “Social, Finance, Analytics, Advertising”

Most suitable investment method is Venture as per the pie chart shown below.

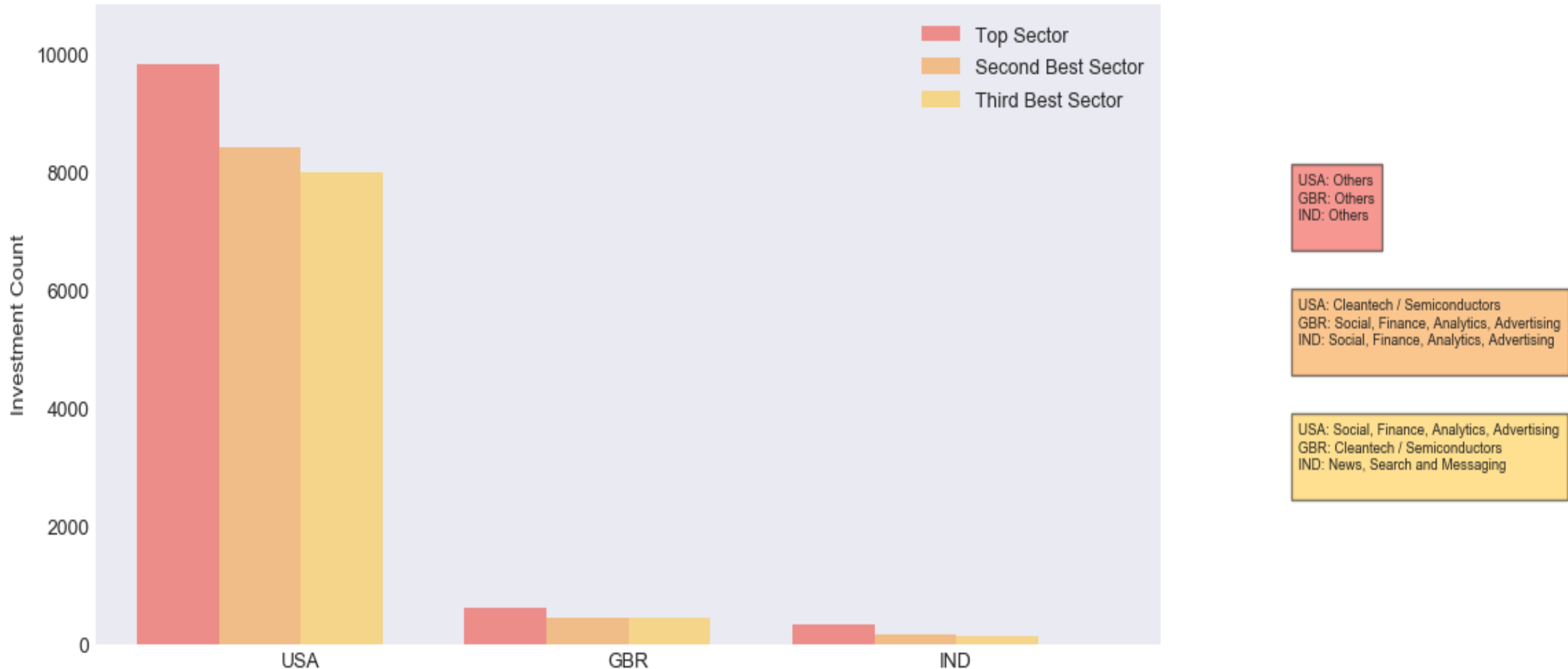


Countries which got most of the investments for venture type fund



Top3 sectors based on number of investments from the top 3 countries

Number of investments in the top 3 sectors of the top 3 countries



Conclusions - Recommended countries and there main sectors are,

- ✓ Top 3 English Speaking countries for the Venture type funding is: United States of America, Great Britain and India
- ✓ Most suitable sectors in United States of America, Great Britain and India is: "Others" and "Social, Finance, Analytics, Advertising"
- ✓ Sector "Cleantech / Semiconductors" is recommended only for Great Britain and United States of America
- ✓ Sector "News, Search and Messaging" is recommended only for India.