

Macro Roundup Article

Headline: [High Interest Rates Crushed Startup Investment. Here Is What Could Revive It](#)

Article Link: <https://www.wsj.com/finance/investing/high-interest-rates-crushing-startup-investments-cc76f82f>

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Summary: Funding for U.S. startups topped \$300 billion in 2021—more than double the prior year—pumping up valuations. But a series of steep rate increases beginning in 2022—the fastest pace in four decades—sapped desire to chase returns in the riskier world of startups. Venture funding dropped for a second year in a row to \$167 billion last year. Venture capitalists like to say that the best companies can weather any macroeconomic storm. Take OpenAI, which is set to roughly triple its valuation to almost \$90 billion. But for most of startup-land, the era of cheap money was over. Related: Monetary Policy and Innovation and It's Mostly a Paper Moon: Alternative Investments Review

Primary Topic: Financial Markets

Topics: Financial Markets, GDP, Growth, Investment, News article, Productivity

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