

Macro Roundup Article

Headline: [US Venture Capital Fundraising Hits A 6-Year Low](#)

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Tweet: Fundraising by US venture capital firms declined 60% y/y in 2023 to \$67B, the lowest level since 2017.

Summary: Fundraising by US venture capital firms hit a six-year low in 2023, an ominous sign for start-ups with dwindling cash reserves and fledgling businesses reliant on such backing for survival. The \$67bn raised by US VCs in 2023 is the lowest annual total since 2017 and represents a 60% drop from the \$173bn raised in 2022, the peak year for fundraising, according to analysis by private markets data provider PitchBook and the National Venture Capital Association. The value created by start-up exits in the US last year was just \$61.5bn, compared to a 2021 peak of \$79.7bn, according to PitchBook and the NVCA. Roughly one in six start-ups raising cash last year cut their valuations, according to PitchBook. That move is typically anathema for founders and investors who prioritise growth above all else, but Stanford expects that proportion to increase dramatically in 2024 as founders run out of other options.

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