INVESTMENT CASE STUDY

SUBMISSION

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Case Study

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.

Available Data for Analysis:

1. Company details

2. Funding round details

3. Sector Classification
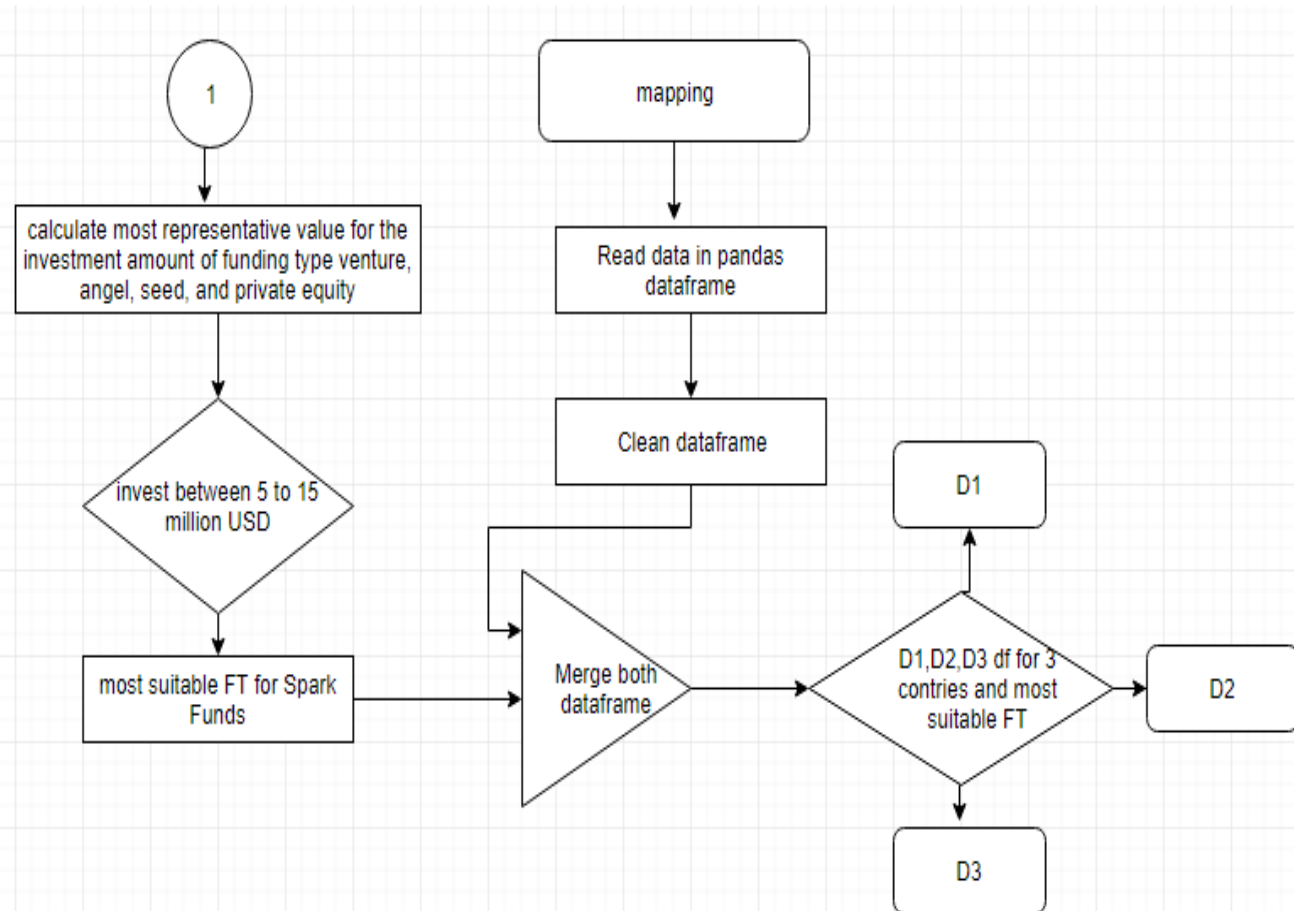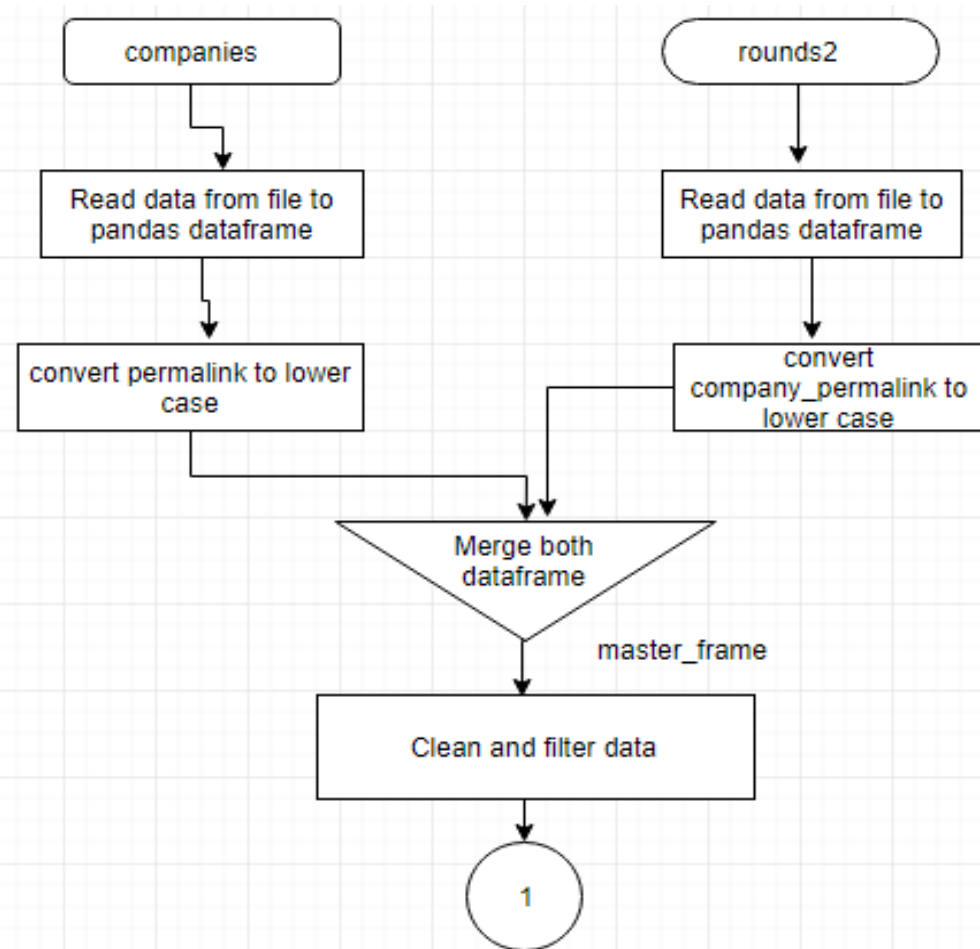
Spark Funds' business objective:

1. Business objective:

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

2. Goals of data analysis:

   1. Investment type analysis

   2. Country analysis

   3. Sector analysis

Flow chart

Analysis

There are two files rounds2 and companies, each having company_permalink and permalink as unique key. Companies files contain **66370** and rounds2 file contain **66368** unique records.

After merging data of rounds2 and companies into the new dataframe called master frame contains 114949 rows.

Funding Type Analysis :

There are mainly fourteen funding types, out of which post_ipo_debt has highest amount of investment and non_equity_assistance has lowest amount of investment.

Although **Venture** is most suitable investment type to invest between 5 to 15 million USD.

Analysis

Country Analysis :

USA, CHN, GBR, IND, CAN, FRA, ISR, DEU, JPN are top nine countries which have received the highest total funding.

In the top nine country USA, GBR and IND are the top three English-Speaking countries which have received the highest total funding.
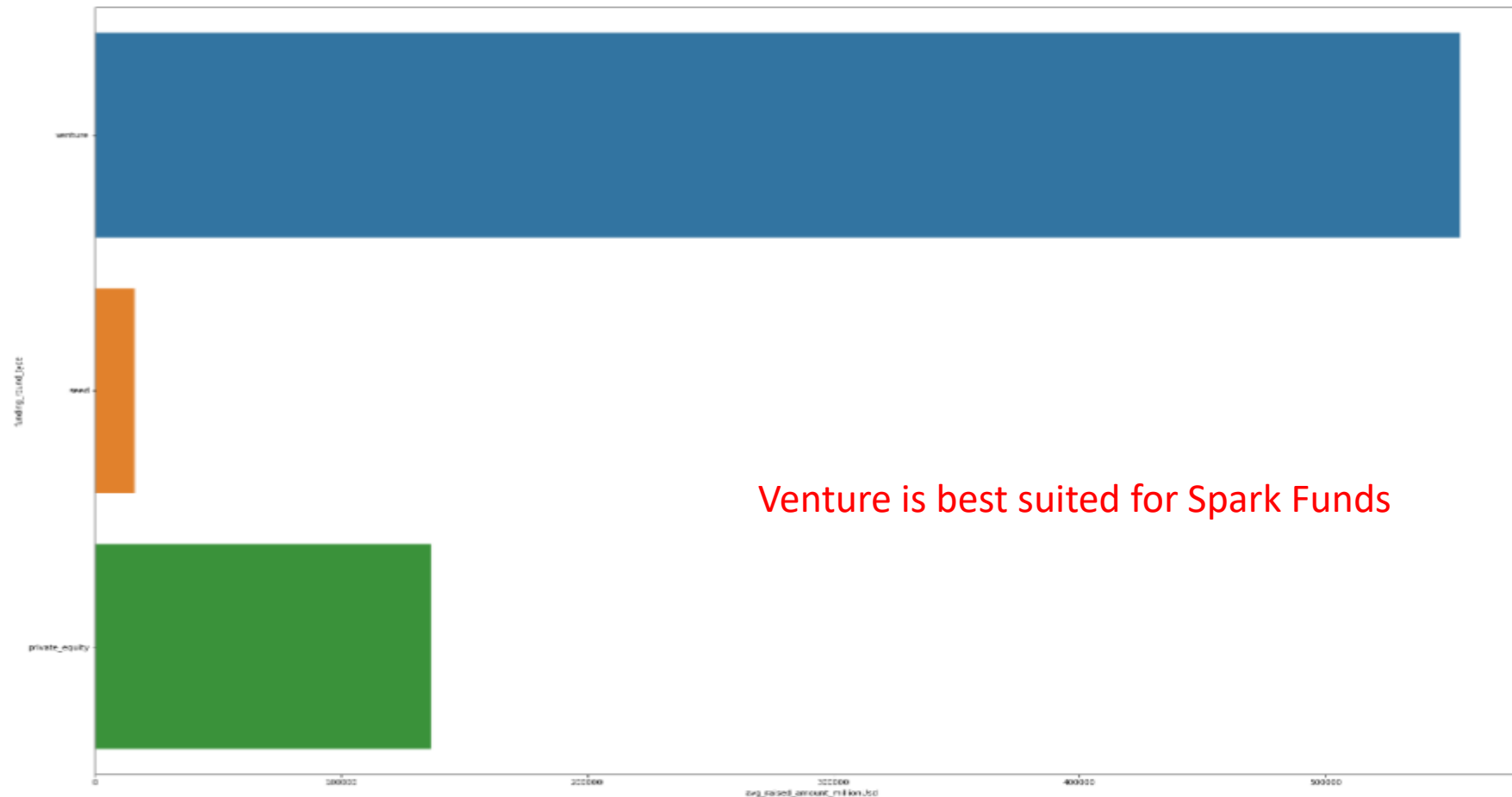
Sector Analysis :

There are altogether eight main sectors, in which the top main sectors for top three English speaking countries are:

Other, cleantech semiconductors and 'social, finance, analytics, advertising'.

Also 9371133550, 4768984985, 2596667552 is the total amount of investment in USD for top three English speaking countries whose investment type is venture.
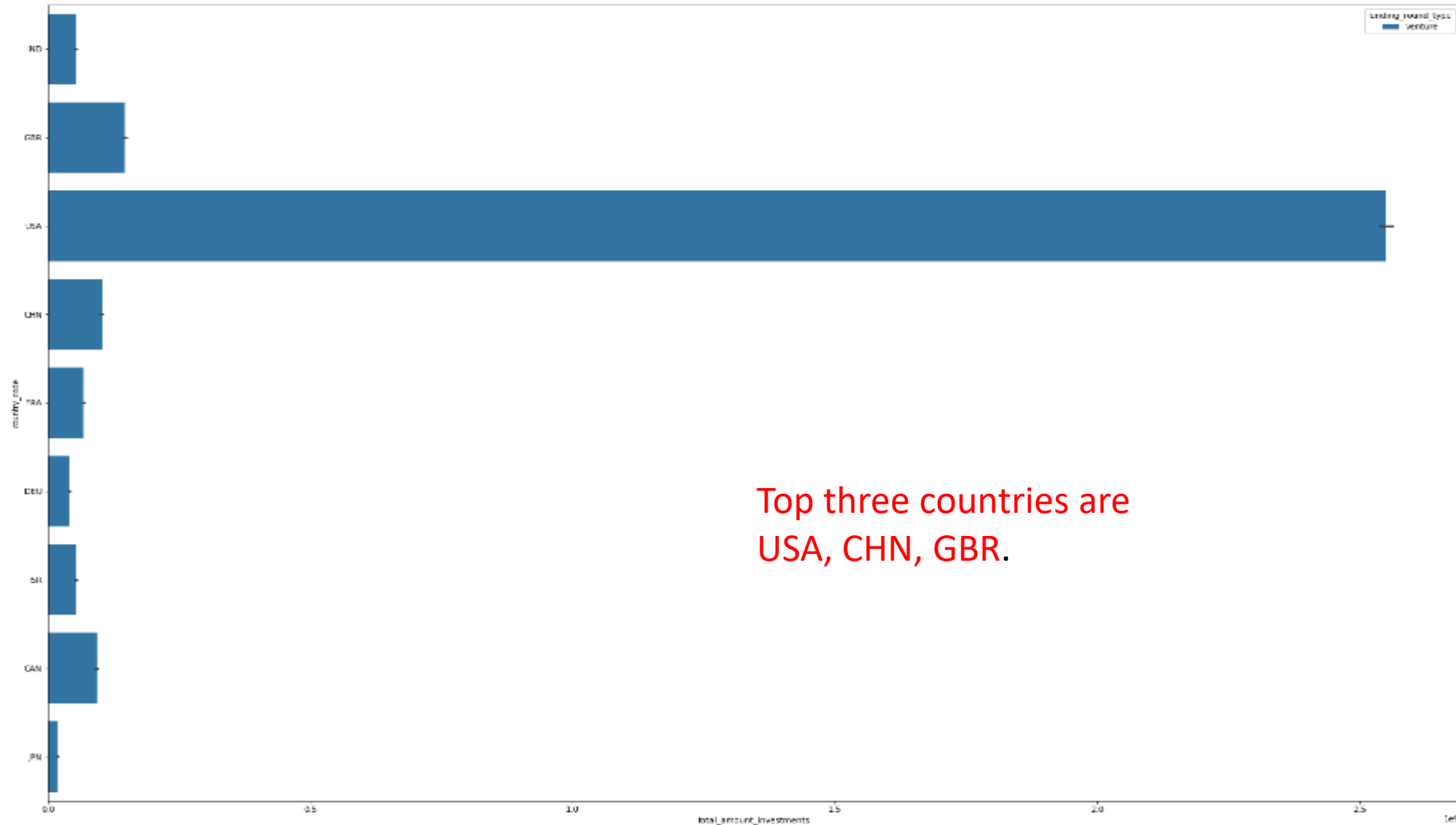
A plot showing the fraction of total investments (globally) in venture, seed, and private equity, and the average amount of investment in each funding type. This chart should make it clear that a certain funding type (FT) is best suited for Spark Funds.

Plot 1

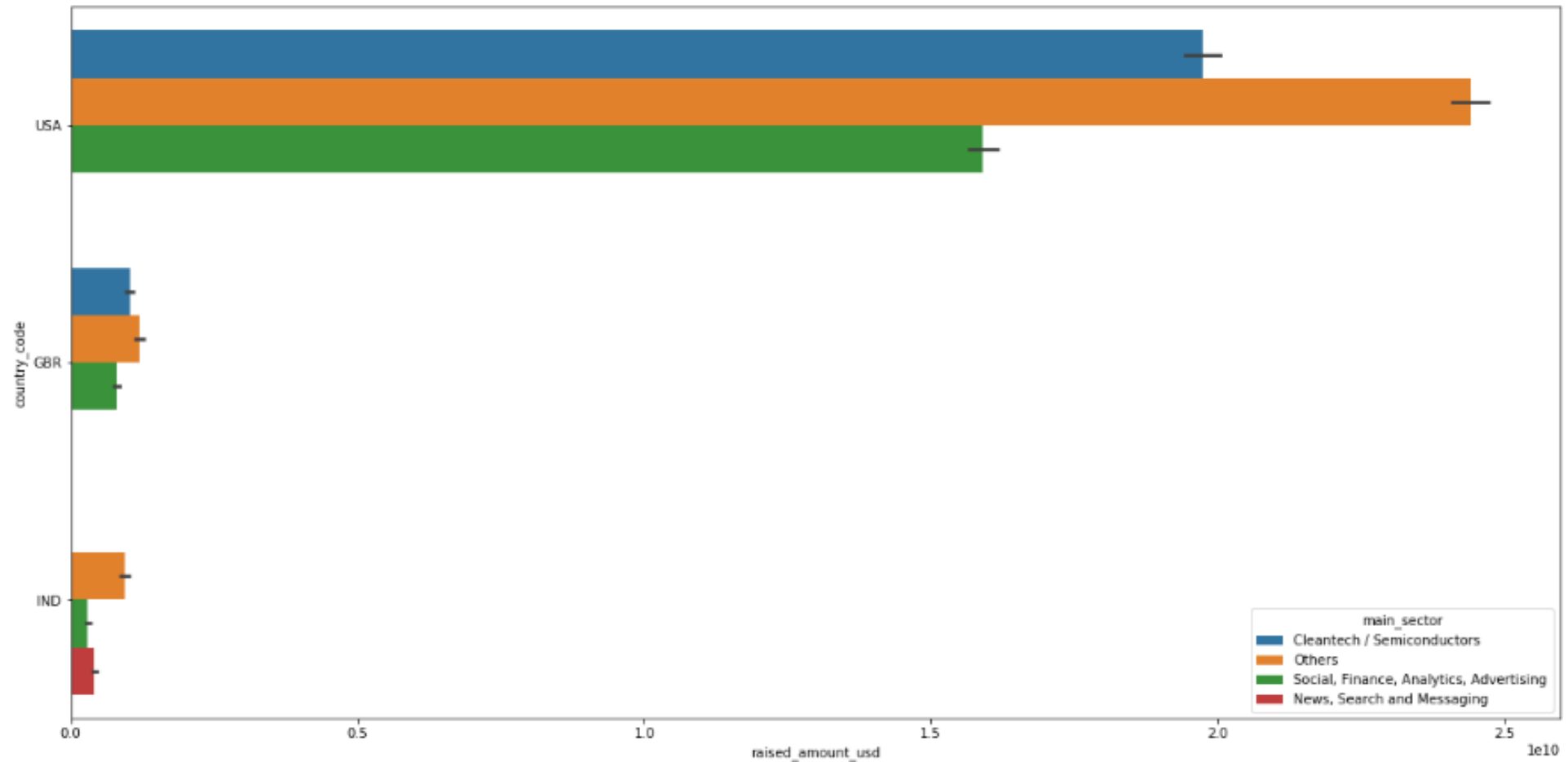Venture is best suited for Spark Funds

A plot showing the top 9 countries against the total amount of investments of funding type FT. This should make the top 3 countries (Country 1, Country 2, and Country 3) very clear.

Plot 2

Top three countries are
USA, CHN, GBR.

A plot showing the number of investments in the **top 3 sectors** of the **top 3 countries** on one chart (for the chosen investment type FT).

Plot 3

Conclusions

After analysing data in companies,rounds2 and mapping file we can conclude the following.

- The most suitable funding round type to invest between 5 to 15 million USD is **Venture**.
- Top three English-Speaking Countries which have received the highest total funding for venture funding round type is

  USA, GBR, IND
- Top sector based on count of investments for above three Countries.

  Other, cleantech semiconductors and 'social, finance, analytics, advertising'.
- Total amount of investment for top three English-Speaking Countries are: 9371133550, 4768984985, 2596667552.