

# **UpGrad** Projects

Investment Analysis

# Objectives

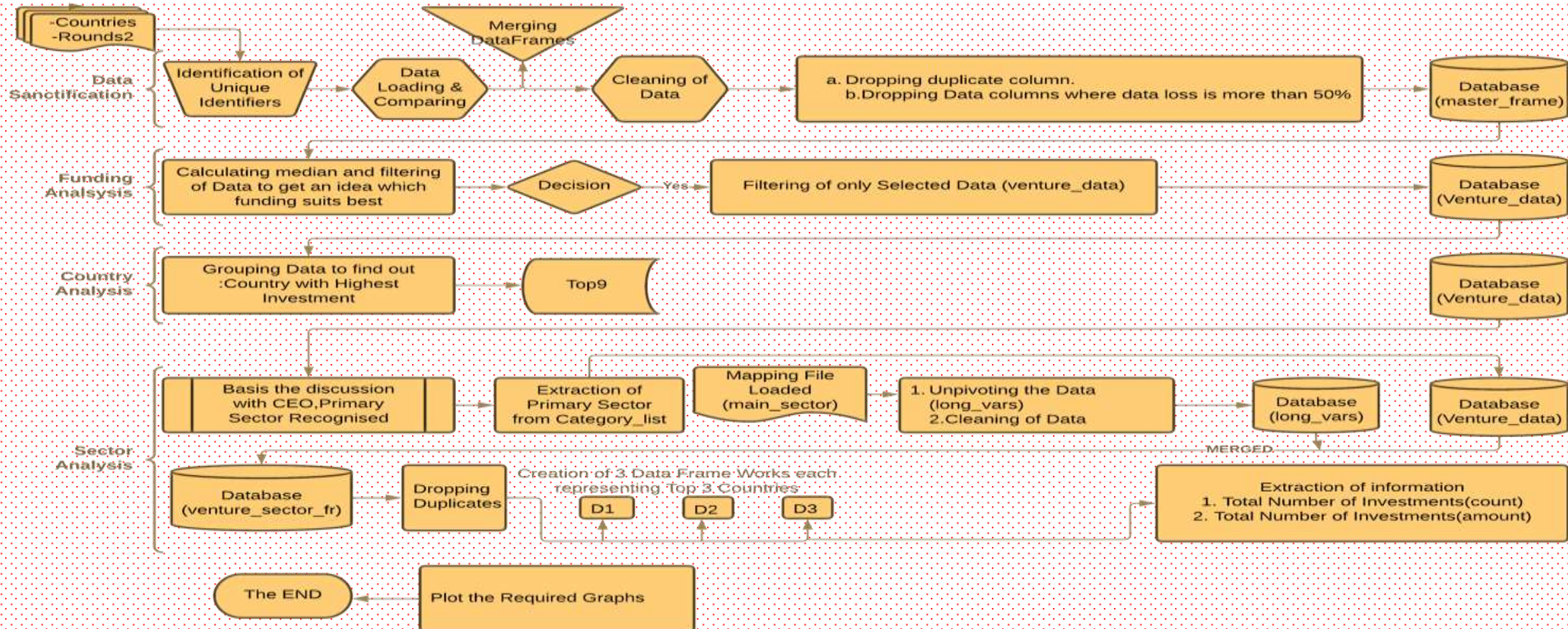
## ❏ Project Brief

You work for Spark Funds, an [asset management company](#). 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 make investment decisions effectively.

Spark Funds has two minor constraints for investments:

- It wants to invest between 5 to 15 million USD per round of investment
- It wants to invest only in English-speaking countries because of the ease of communication with the companies it would invest in

# Process Flow



# Data Sanctification

## Loading the Dataset

1. Companies: Basic Data of Companies: 66368 Unique Entries
2. Round2: Funding Round Details: 66368 Unique Entries

## Exploratory Data Analysis

1. Merging the two datasets basis the common column: "Company Permalink"
  2. Missing Values Cleaning: Dropping the columns & values
- 
1. Non-Null Data set of 88507 which is 77% of Original Data
  2. Imputed raised Amount USD, category list, country code since loss is minimal

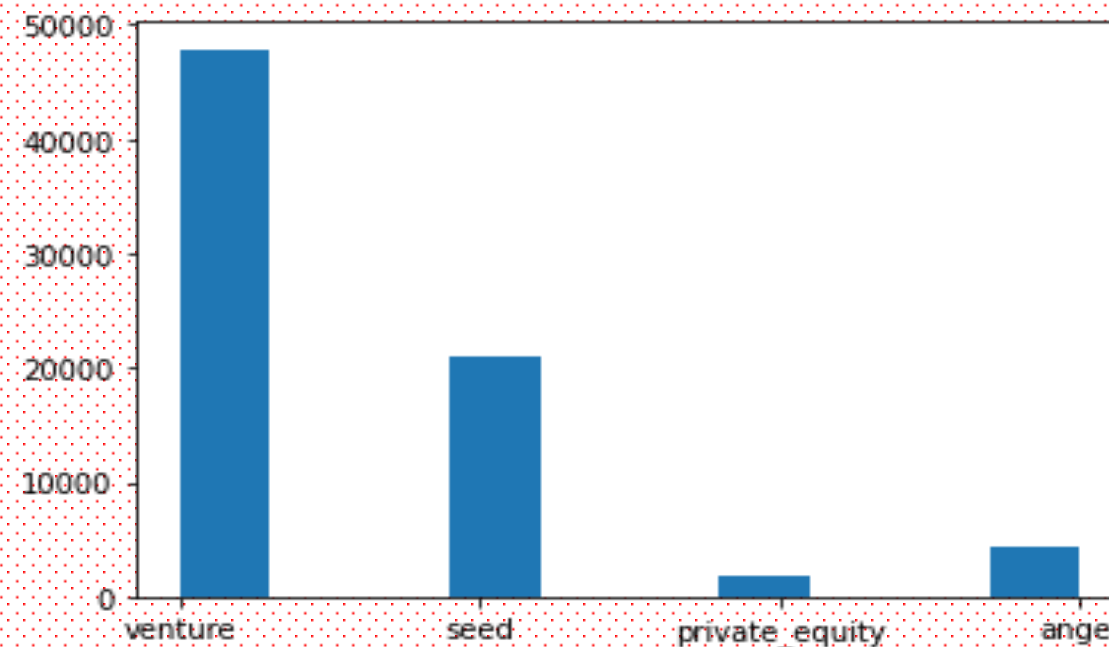
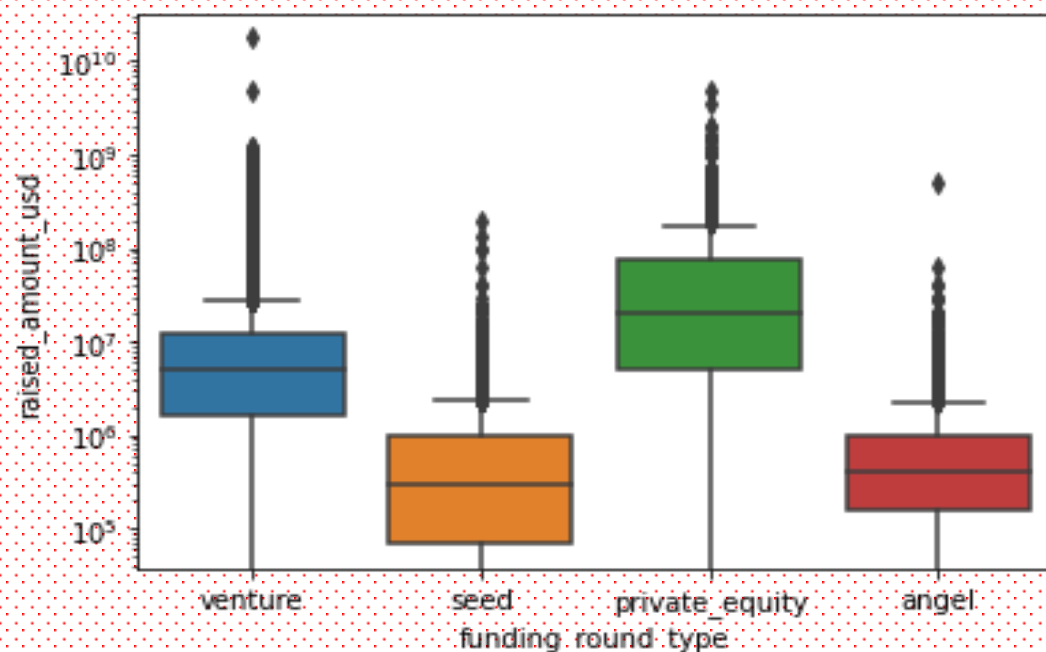
# Funding Analysis

**Constraints for Funding:** Wants to Invest between 5 to 15 million USD per round of Investments

- ✓ **Median** was taken as a representative value to counter outliers.
- ✓ Basis the Analysis and taking into account the constraints,  
**Venture Funding is the most suitable for Sparks Funds to invest with.**

*The following graph & table exemplifies the mentioned constraints and analysis.*

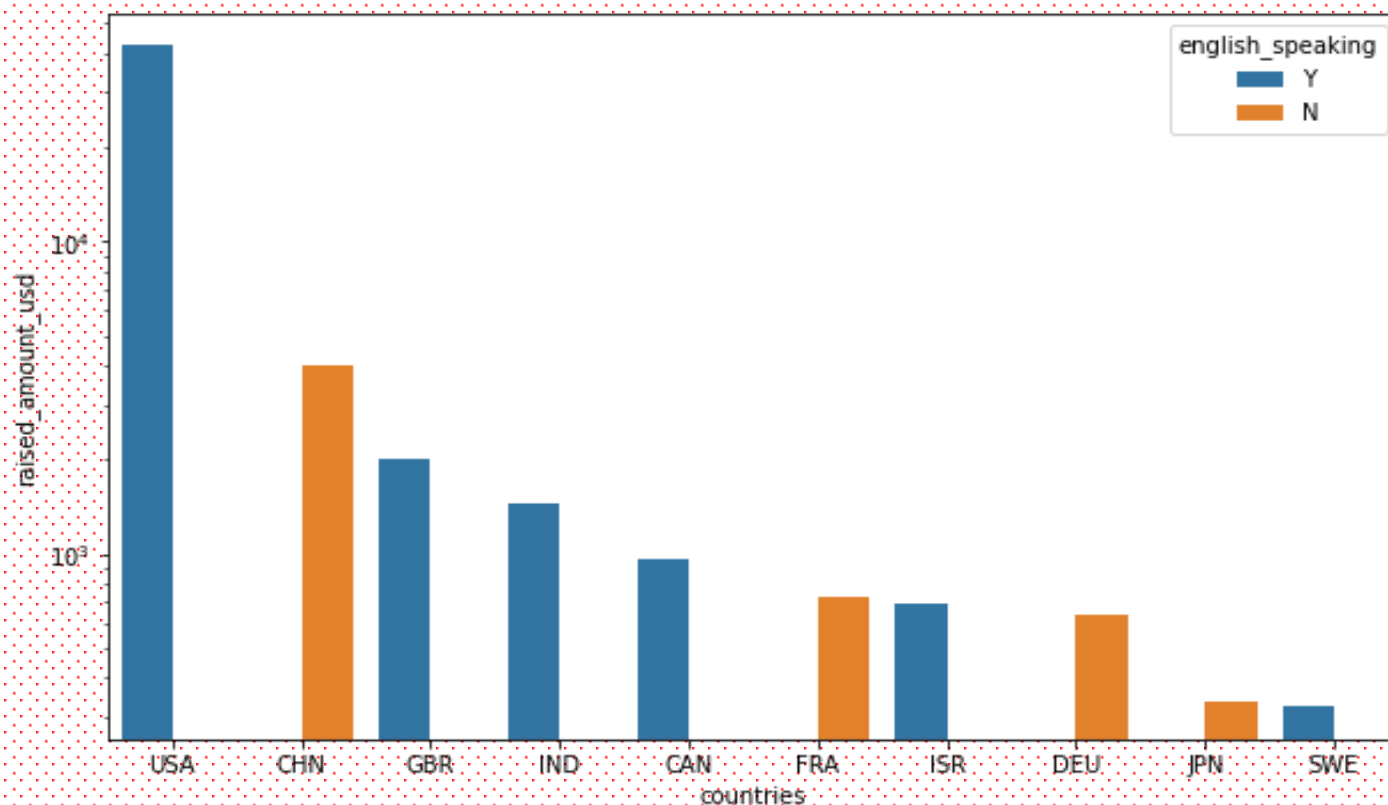
| Funding Type   | Amount (in USD\$ Mil) |
|----------------|-----------------------|
| Angel          | 0.40                  |
| Seed           | 0.28                  |
| Venture        | 5.00                  |
| Private Equity | 20.00                 |



# Country Analysis

**Constraints for Funding:** Spark Funds wants to invest in countries with the highest amount of funding for the chosen investment type. This is a part of its broader strategy to invest where most investments are occurring.

Sparks fund wants to invest in countries that are English Speaking.



| SN | Country                  | Country Code | English Speaking | Raised Amount (Amount in USD, Crores) |
|----|--------------------------|--------------|------------------|---------------------------------------|
| 1  | United States of America | USA          | Y                | 4200.68                               |
| 2  | China                    | CHN          | N                | 393.39                                |
| 3  | United Kingdom           | GBR          | Y                | 200.73                                |
| 4  | India                    | IND          | Y                | 142.62                                |
| 5  | Canada                   | CAN          | Y                | 94.82                                 |
| 6  | France                   | FRA          | N                | 72.08                                 |
| 7  | Israel                   | ISR          | Y                | 68.54                                 |
| 8  | Germany                  | DEU          | N                | 63.06                                 |
| 9  | Japan                    | JPN          | N                | 31.68                                 |
| 10 | Sweden                   | SWE          | Y                | 31.46                                 |

# Sector Analysis

**Basis the Funding & Country Analysis the following can be interpreted**

- Top 3 Sectors within the top 3 countries where the maximum dollar was invested by other Investors
- **Others Sector** is the maximum a country has been invested in.

*The following table exemplifies the analysis.*

| country_code | sector                                  | count | Invested Amount |
|--------------|---|-------|-----------------|
| IND          | Automotive & Sports                     | 328   | 295.0           |
|              | Blanks                                  | 328   |                 |
|              | Cleantech / Semiconductors              | 328   |                 |
|              | Entertainment                           | 328   |                 |
|              | Health                                  | 328   |                 |
|              | Manufacturing                           | 328   |                 |
|              | News, Search and Messaging              | 328   |                 |
|              | Others                                  | 328   |                 |
|              | Social, Finance, Analytics, Advertising | 328   |                 |

| country_code | sector                                  | count | Invested Amount |
|--------------|---|-------|-----------------|
| USA          | Automotive & Sports                     | 12063 | 10775.71        |
|              | Blanks                                  | 12063 |                 |
|              | Cleantech / Semiconductors              | 12063 |                 |
|              | Entertainment                           | 12063 |                 |
|              | Health                                  | 12063 |                 |
|              | Manufacturing                           | 12063 |                 |
|              | News, Search and Messaging              | 12063 |                 |
|              | Others                                  | 12063 |                 |
|              | Social, Finance, Analytics, Advertising | 12063 |                 |

| country_code | sector                                  | count | Invested Amount |
|--------------|---|-------|-----------------|
| GBR          | Automotive & Sports                     | 621   | 537.91          |
|              | Blanks                                  | 621   |                 |
|              | Cleantech / Semiconductors              | 621   |                 |
|              | Entertainment                           | 621   |                 |
|              | Health                                  | 621   |                 |
|              | Manufacturing                           | 621   |                 |
|              | News, Search and Messaging              | 621   |                 |
|              | Others                                  | 621   |                 |
|              | Social, Finance, Analytics, Advertising | 621   |                 |

# Conclusion

**B**asis the Analysis conducted and observation noted on:

- Funding Type
- Country Selection & Amount Raised
- Sector Analysis

We can conclude the following

- A. Spark Funds should invest in **Others** Sector in **United States via Venture funding**, where maximum investors have been investing
- B. For Diversification & Risk Mitigation, Spark Funds can diversify its portfolio by investing in the **United Kingdom as well as India** in the **Others Sector** via the **Venture** funding vehicle.
- C. Further Diversification, **taking into consideration the Constraints is available in slide no.05**