



INVESTMENT ASSIGNMENT SUBMISSION

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Abstract

Spark Funds wants to invest in a few companies and the CEO of Spark Funds wants to understand the global trends in investments so that she can take the investment decisions effectively.

However, Spark Funds has two constraints for investments:

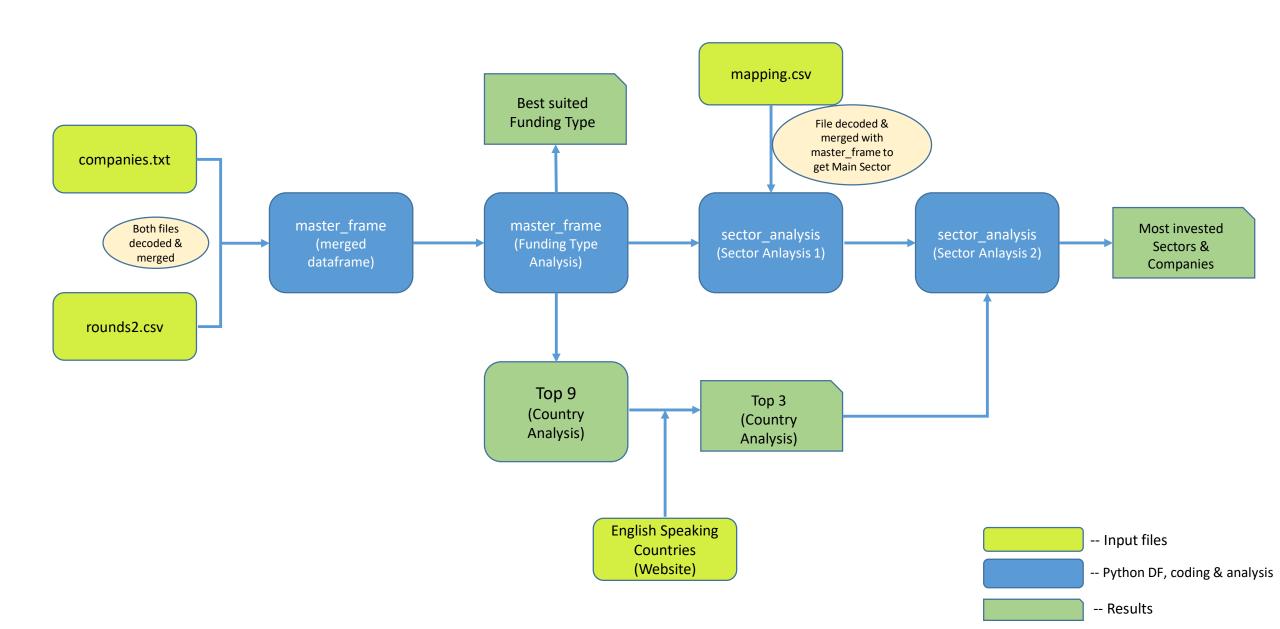
- It wants to invest between 5 to 15 million USD per round of investment
- It wants to invest only in **English-speaking countries** because of the ease of communication with the companies it would invest in

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'.



Problem Solving Methodology







Investment type analysis



Comparing the average amount of investments done in different Funding Types, investing in "Venture" type is the most suitable. It fulfils the conditions for investing \$5mm USD to \$15mm USD.

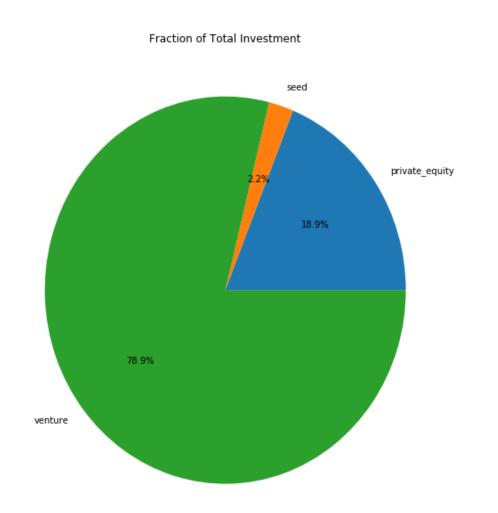
Funding Type	Average Amount Invested				
post_ipo_debt	169,451,800				
secondary_market	81,527,200				
private_equity	73,618,560				
post_ipo_equity	66,018,790				
debt_financing	17,186,400				
undisclosed	15,851,080				
venture	11,735,780				
grant	4,508,473				
product_crowdfunding	1,489,682				
convertible_note	1,331,938				
angel	968,560				
seed	748,105				
equity_crowdfunding	510,948				
non_equity_assistance	471,446				

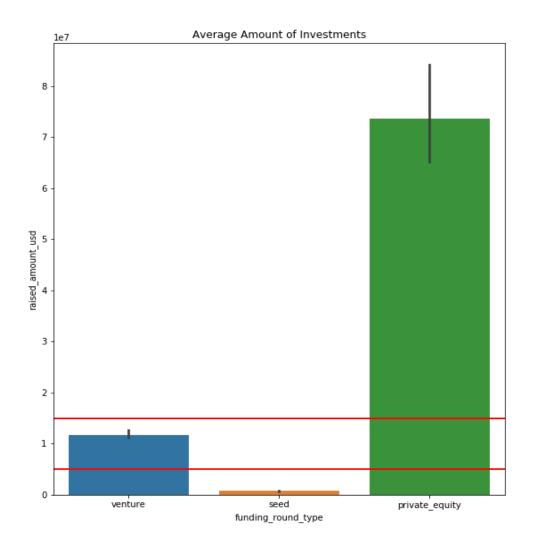






Following plots show the fraction of total investments (globally) in venture, seed, and private equity (left) and the average amount of investment in each funding type(right). This clearly shows "venture" type is best suited.









Country analysis

Following is a list of top 9 countries based on the money invested in "venture" type by different investors.

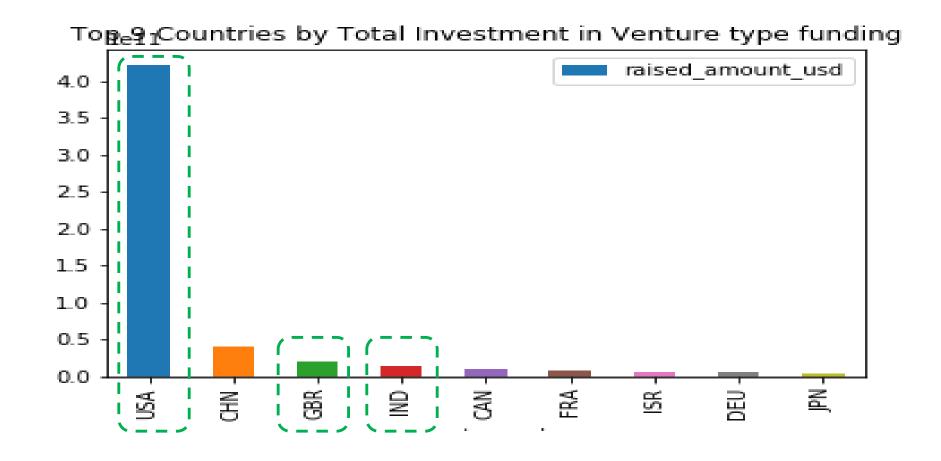
Country Code	Total Amount Invested				
USA	\$	422,510,800,000			
CHN	\$	39,835,420,000			
GBR	\$	20,245,630,000			
IND	\$	14,391,860,000			
CAN	\$	9,583,332,000			
FRA	\$	7,259,537,000			
ISR	\$	6,907,515,000			
DEU	\$	6,346,960,000			
JPN	\$	3,363,677,000			







As Spark Funds only want to invest in English Speaking Countries, Following graph highlights (marked by Green Dashed border) the top 3 English speaking countries, among top 9 mostly invested.









Following results show the top 3 English Speaking Countries and Sectors by the total amount & total number of investments that are made in "Venture" type.

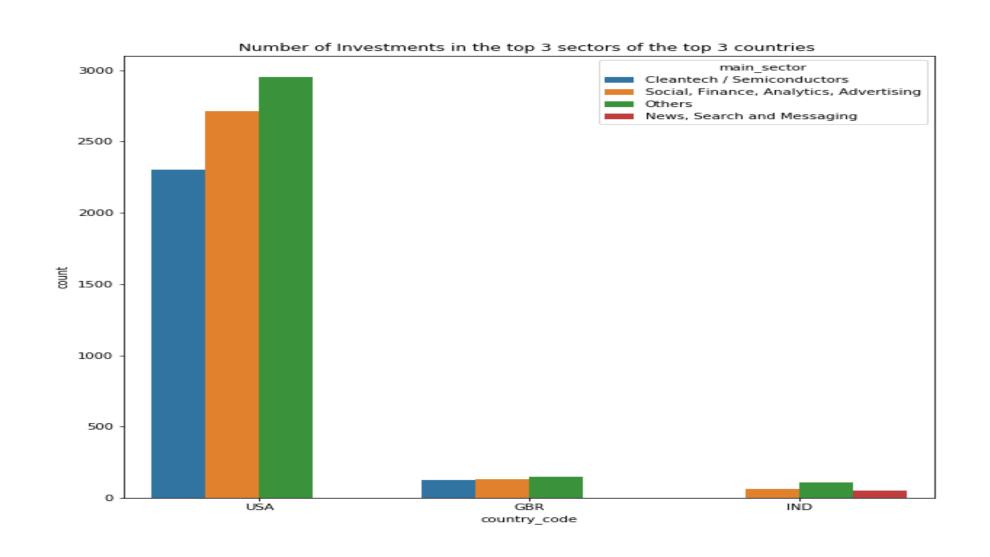
USA(United States of America)			GBR (Great Britain)			IND (India)		
Sector	# Invst.	\$ Invst (USD)	Sector	# Invst.	\$ Invst (USD)	Sector	# Invst.	\$ Invst (USD)
Others	2,950	26,321,010,000	Others	147	1,283,624,000	Others	110	1,013,410,000
Social, Finance, Analytics, Advertising	2,714	23,807,380,000	Social, Finance, Analytics, Advertising	133	1,089,404,000	Social, Finance, Analytics, Advertising	60	550,549,600
Cleantech / Semiconductors	2,300	21,206,630,000	Cleantech / Semiconductors	128	1,150,140,000	News, Search and Messaging	52	433,834,500
News, Search and Messaging	1,582	13,959,570,000	News, Search and Messaging	73	615,746,200	Entertainment	33	280,830,000
Health	909	8,211,859,000	Entertainment	56	482,784,700	Manufacturing	21	200,900,000
Manufacturing	799	7,258,553,000	Manufacturing	42	361,940,300	Cleantech / Semiconductors	20	165,380,000
Entertainment	591	5,099,198,000	Health	24	214,537,500	Health	19	167,740,000
Automotive & Sports	167	1,454,104,000	Automotive & Sports	16	167,051,600	Automotive & Sports	13	136,900,000



Sector analysis Results



Graph below shows the number of investments in the top 3 sectors of the top 3 countries







- Comparing the average investment amounts of all funding types globally, most suitable funding for Spark Funds to invest in is "Venture".
- USA, Great Britain and India are most heavily funded English Speaking Countries.
- From the results of Sector Analysis
 - Companies which received maximum funding from the above mentioned 3 countries are **Virtustream**, **Electric Cloud & FirstCry.com**
 - Top 2 Sectors by maximum number of investments are "Others" & "Social, Finance, Analytics, Advertising"