

INVESTMENT ASSIGNMENT SUBMISSION

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Spark Funds Investment Analysis Objectives

Background

- Spark Funds is an asset management company which 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.

Business Objective

- Identify the suitable investment type, best sectors and countries for making investments.

Strategy

- Spark Funds wants to invest where most other investors are investing.

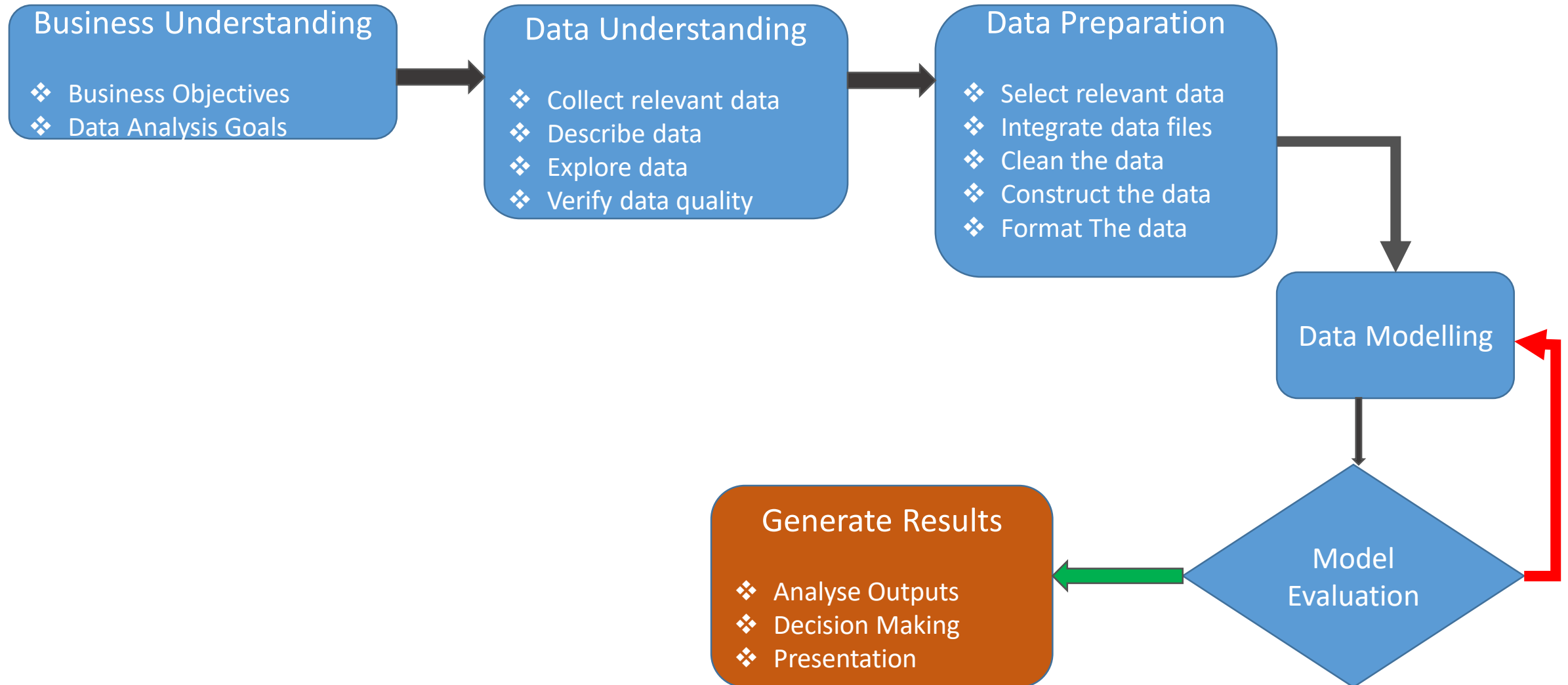
Business and Data Understanding

- Spark Funds has two minor constraints for investments:
 1. Invest between **5 to 15 million USD** per round of investment.
 2. Invest only in **English-speaking countries** because of the ease of communication with the companies.

Goals of data analysis

- **Investment type analysis:** Comparing the typical investment amounts in the venture, seed, angel, private equity to find the best suited funding type.
- **Country analysis:** Identifying the countries which have been the most heavily invested in the past.
- **Sector analysis:** Understanding the distribution of investments across the eight main sectors.

Problem Solving Methodology



Investment Analysis

- Investment types considered for this analysis as per Spark Funds requirement are:
 1. Angel
 2. Seed
 3. Venture
 4. Private Equity

- Spark Funds has constraints for investment between 5 to 15 million USD per round of investment.
- Considering the constraint, the best suitable investment type is **Venture**.
- But the highest average investments are made in **Private Equity**.

Country Analysis

- Country Analysis is based only on Venture investment type.
- Considering the constraint of English-speaking countries, the top 3 countries are:
 - **USA**
 - **GBR**
 - **IND**

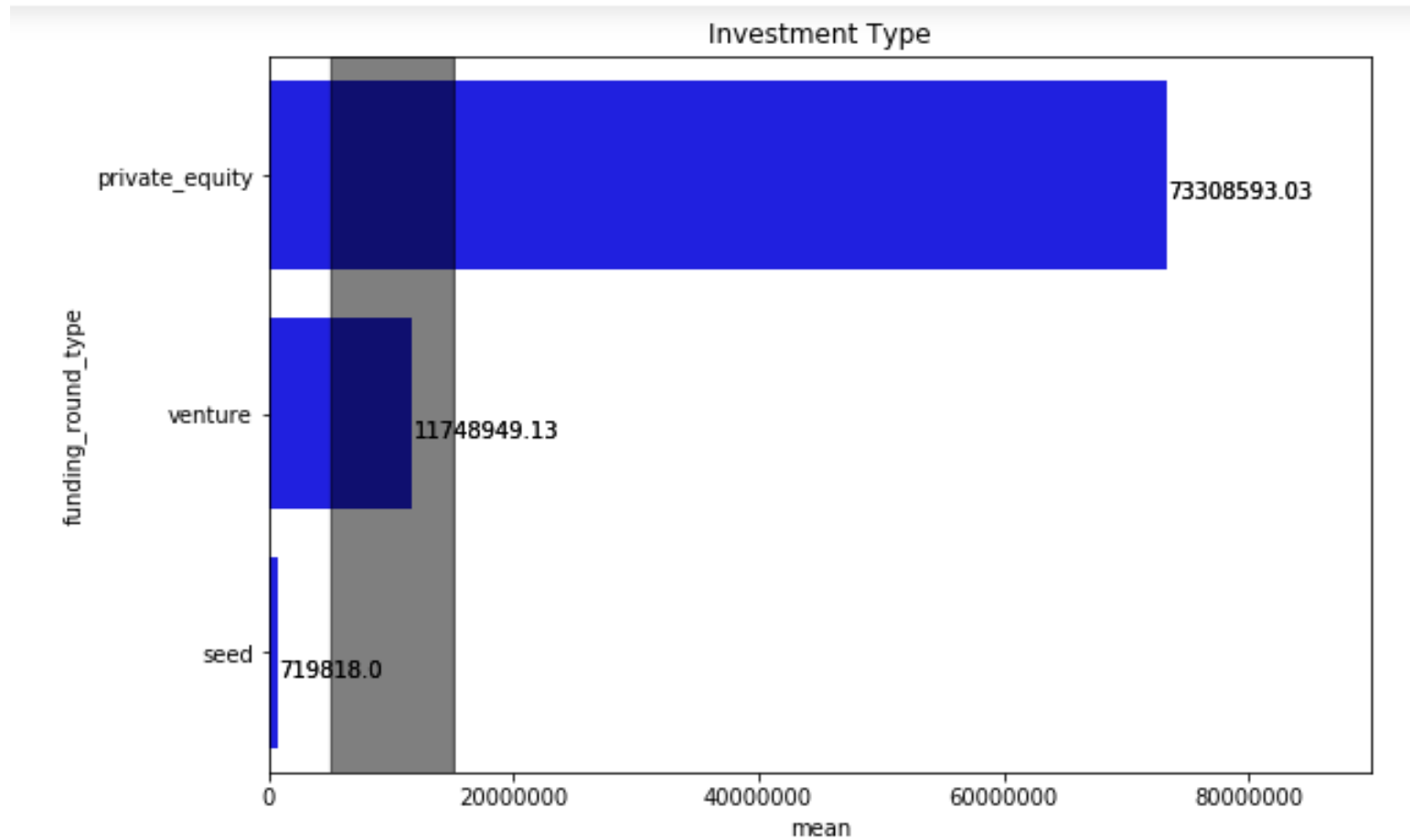
country_code	raised_amount_usd	english_speaking	rank
USA	448016951210.00	Yes	1
GBR	20245627416.00	Yes	2
IND	14391858718.00	Yes	3

Sector Analysis

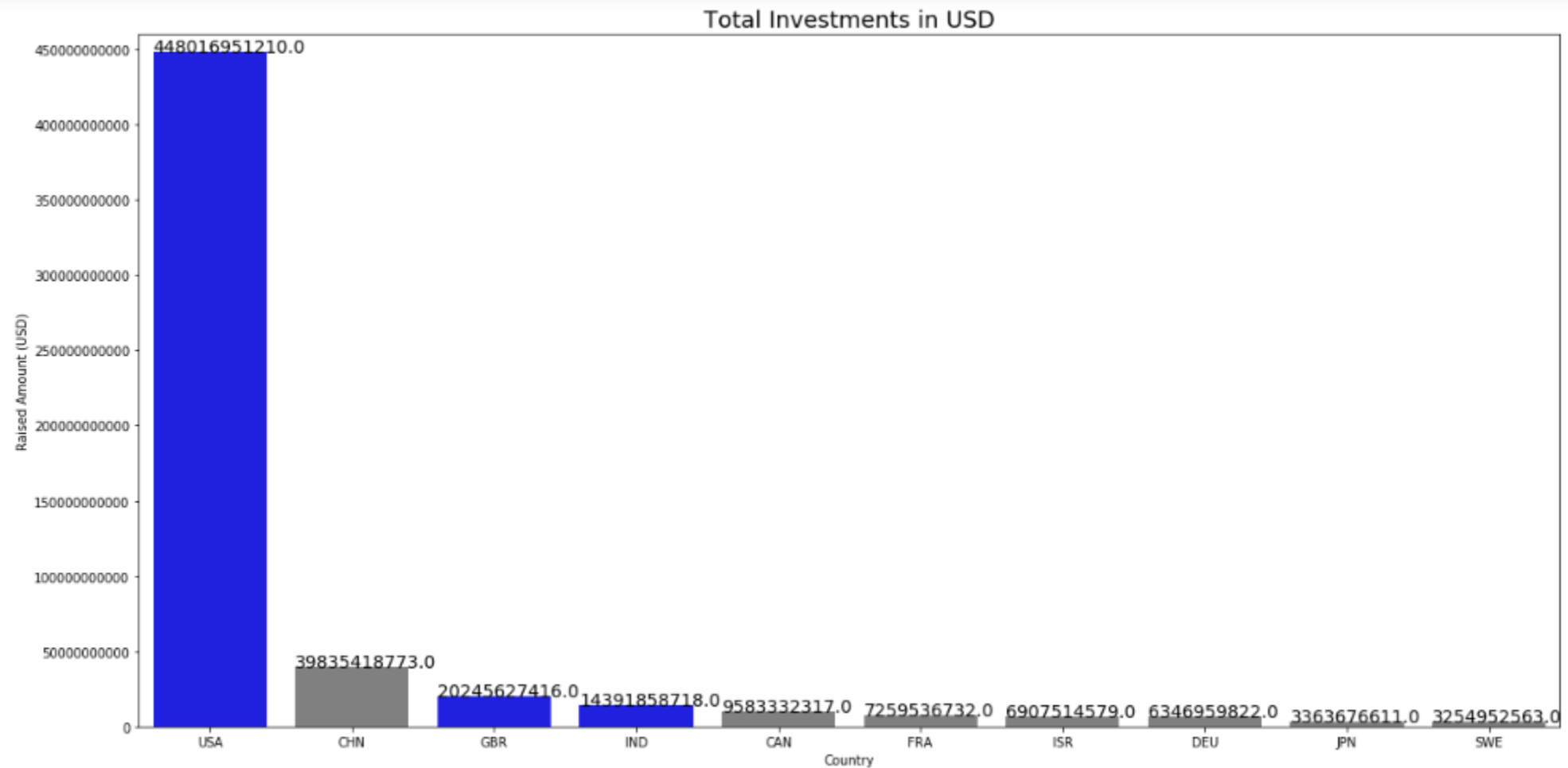
- Based on the top 3 English-speaking countries (USA, GBR, IND),
 - **Others** sector is the top sector among the top 3 countries.
 - **Social, Finance, Analytics, Advertising** sector holds the second top sector for USA and IND, whereas in GBR, **Cleantech / Semiconductors** holds the second top sector.
 - **Cleantech / Semiconductors** sector holds the third top sector for USA, **Social, Finance, Analytics, Advertising** sector holds the third top sector for GBR, **News, Search and Messaging** holds the second top sector for IND.

	USA	GBR	IND
Total number of investments (count)	12853	628	330
Total amount of investment (USD)	114711887866.00	5436843539.00	2976543602.00

Investment Type Plot

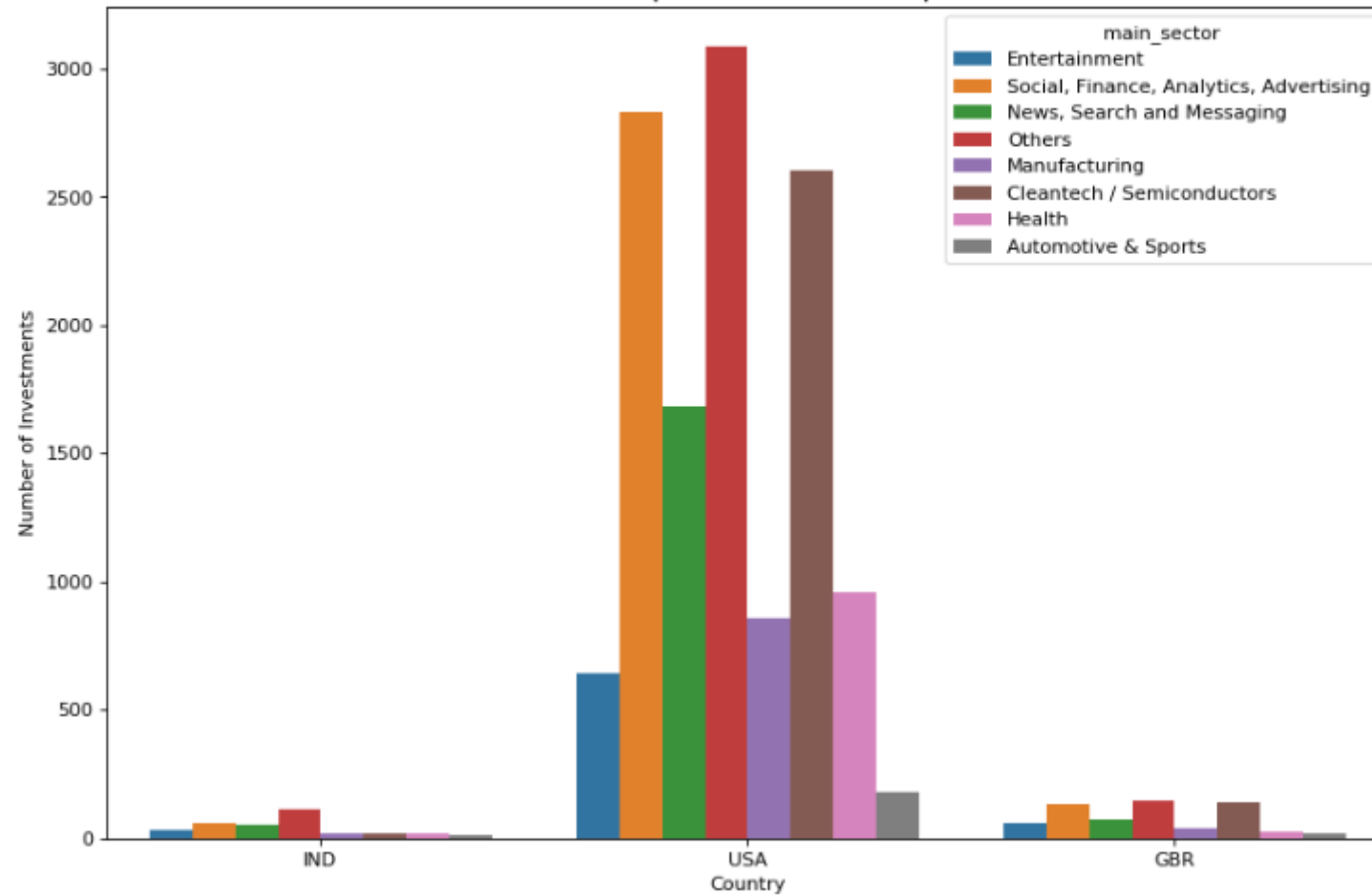


Country Analysis



Sector Analysis

Investments in top3 sectors of top 3 countries



Conclusions

- On the basis of the analysis, considering the two constraints:
 - ❖ The suitable investment type is **Venture**.
 - ❖ Top three English Speaking countries to invest are: **USA, GBR, IND**.
 - ❖ **Others** sector has the highest investment from the top 3 countries.
- Hence, Venture is the best recommended investment type.
- USA with highest count and amount of investments becomes the suitable country for investment.
- Others sector is the suitable sector for investment.
- GBR and IND also has a chance for investment.