

INVESTMENT CASE STUDY SUBMISSION

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Global Trends in Investments

Abstract:

This study explored the pattern of investment across the globe to find out where the majority of investors are investing for making an investment ranging from USD 5-15 million. in various companies.

The study was conducted on live crunchbase data that included information on large number of companies across the globe at various funding stage and the amount of funding received at each stage. This data was then analyzed for gaining three kinds of information

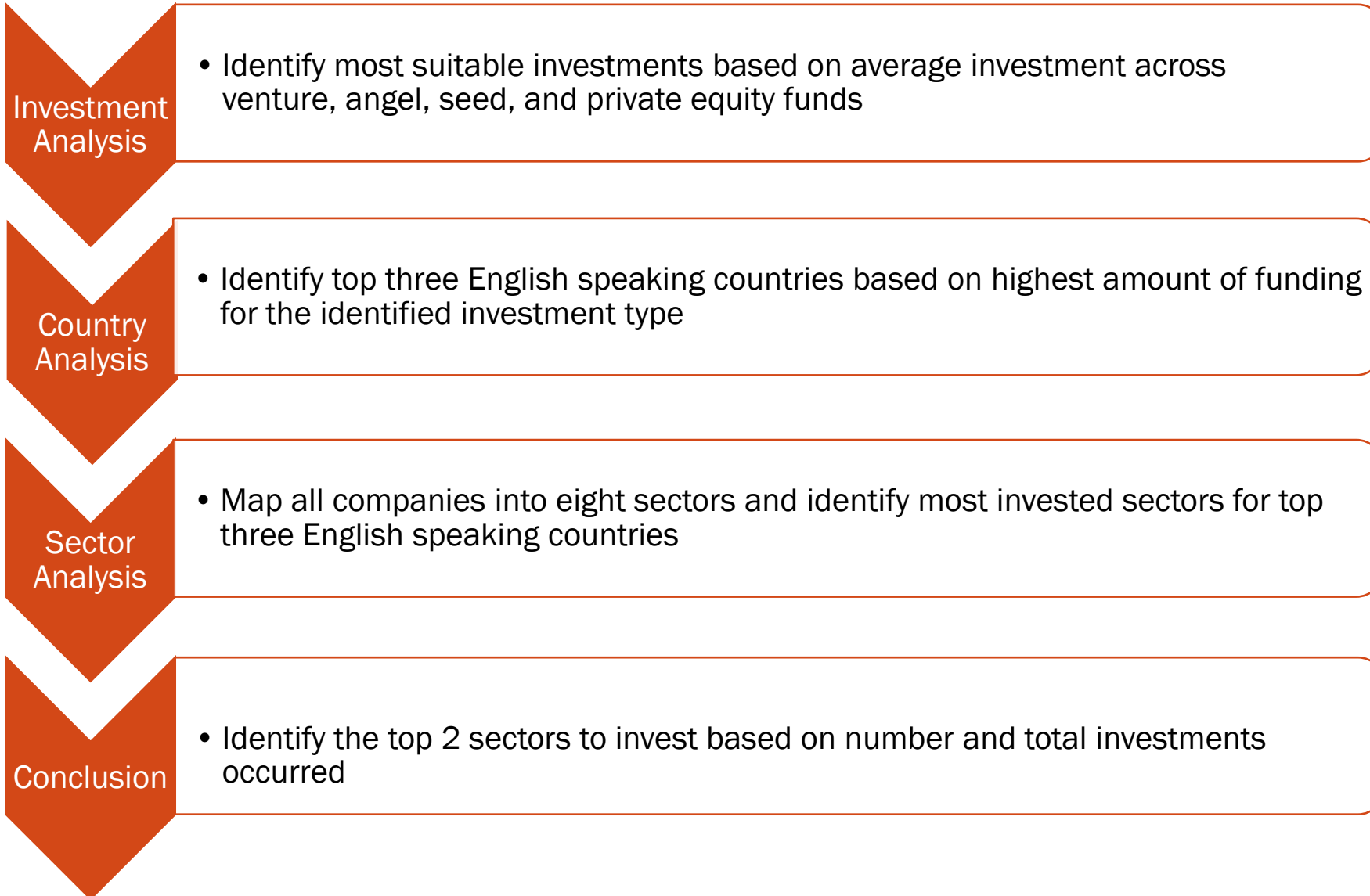
- An average amount of investment for each type of funding
- Top english speaking countries that received majority of investment
- Heavily invested sector for top countries.

Our Analysis :-

Based on the study ,venture type funding was reported to be the best suited for the given investment amount. USA,UK and India were reported to be the top three countries based on the total investment . Others and Cleantech / Semiconductors, News, Search and Messaging, Social, Finance, Analytics, Advertising were reported to be highly invested sectors.

The findings suggest that SparkFunds should invest in Others and Cleantech/Semiconductors across US,UK and India.

Our Strategy



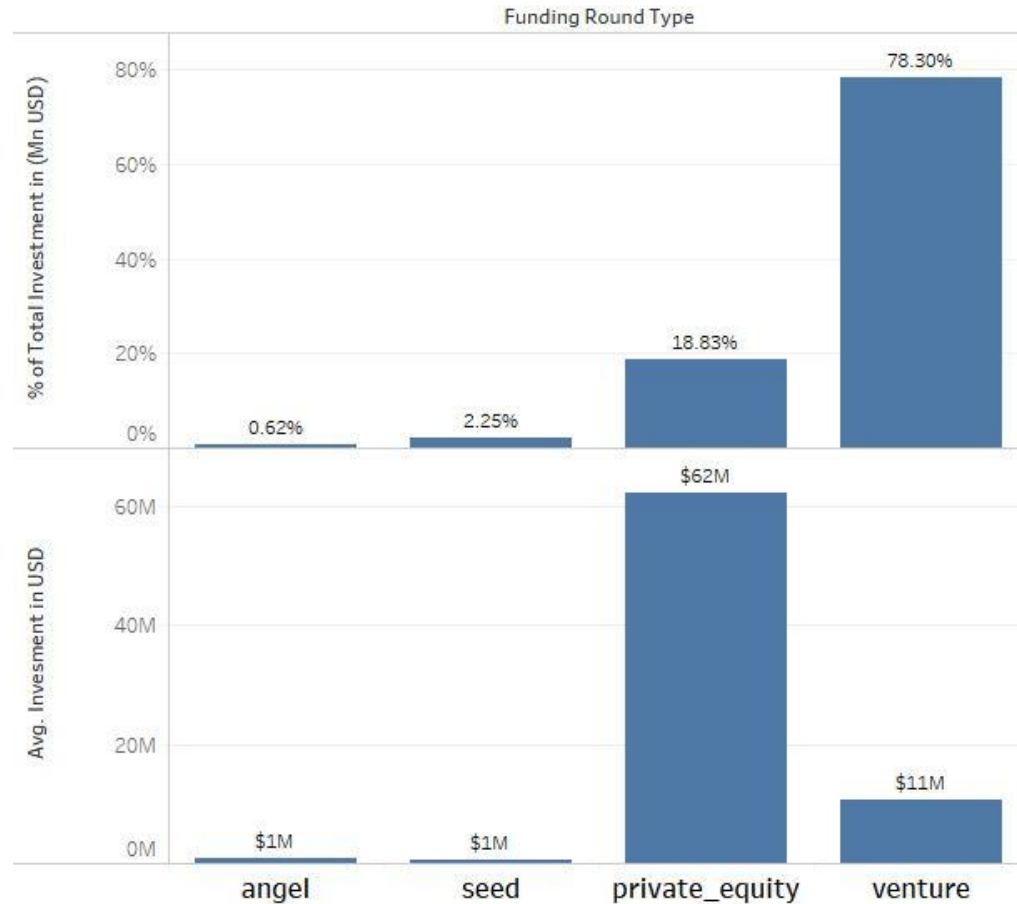
Investment Analysis

- Spark Fund Investment Amount – \$5M - \$15 million(USD)
- Potential investment type identified based on available investment amount
 - ✓ Venture Type
 - ✓ Angel Type
 - ✓ Seed Type
 - ✓ Private equity Type
- Average investment amount identified across each venture type

Funding Type	Average Funding (\$Mn)
Venture	\$ 11.75
Angel	\$ 0.96
Seed	\$ 0.72
Private Equity	\$ 73.31

- Average funding for Angel and seed investment fund types are very less while Private equity
- Demands high amount of investment amount

Fraction of Total Investment and Average investment in venture, seed, and private equity funding type



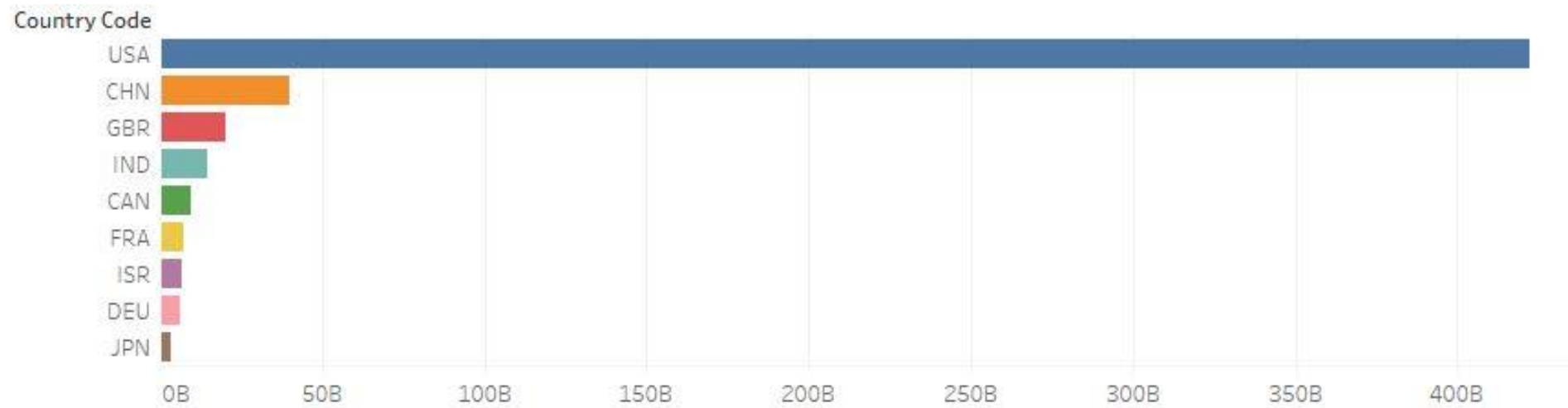
Our Analysis : Best suited Investment Type for given amount(5-15 million USD) : Venture

Country Analysis

- Spark Fund Investment Requirement - English speaking countries

http://www.emmir.org/fileadmin/user_upload/admission/Countries_where_English_is_an_official_language.pdf

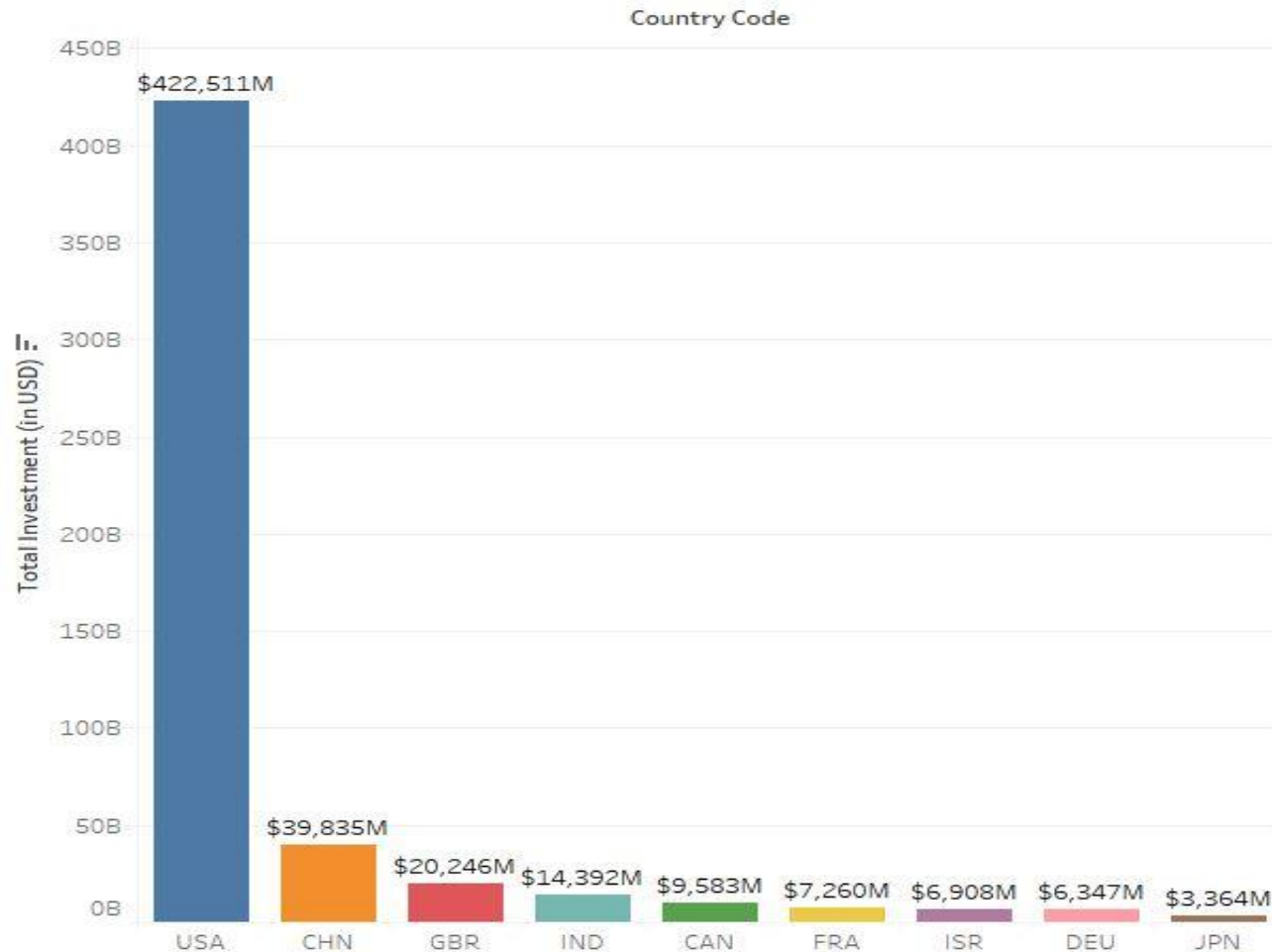
Top 9 Countries with highest funding across all sectors



- USA tops the list with high amount of investment across sectors.
- While China ranks second in the list , it is a non english speaking country . As per the SparkFunds investment criteria China is excluded ,which makes UK(country code GBR) and India(country code IND) to be the second and third in the list.

Country Analysis

Top 9 Countries and Total investment for Venture type Funding



Our Analysis : Top 3 English speaking countries with high funding - USA, UK ,India

Sector Analysis

- Spark Fund top sector based on total investments and total number of investment

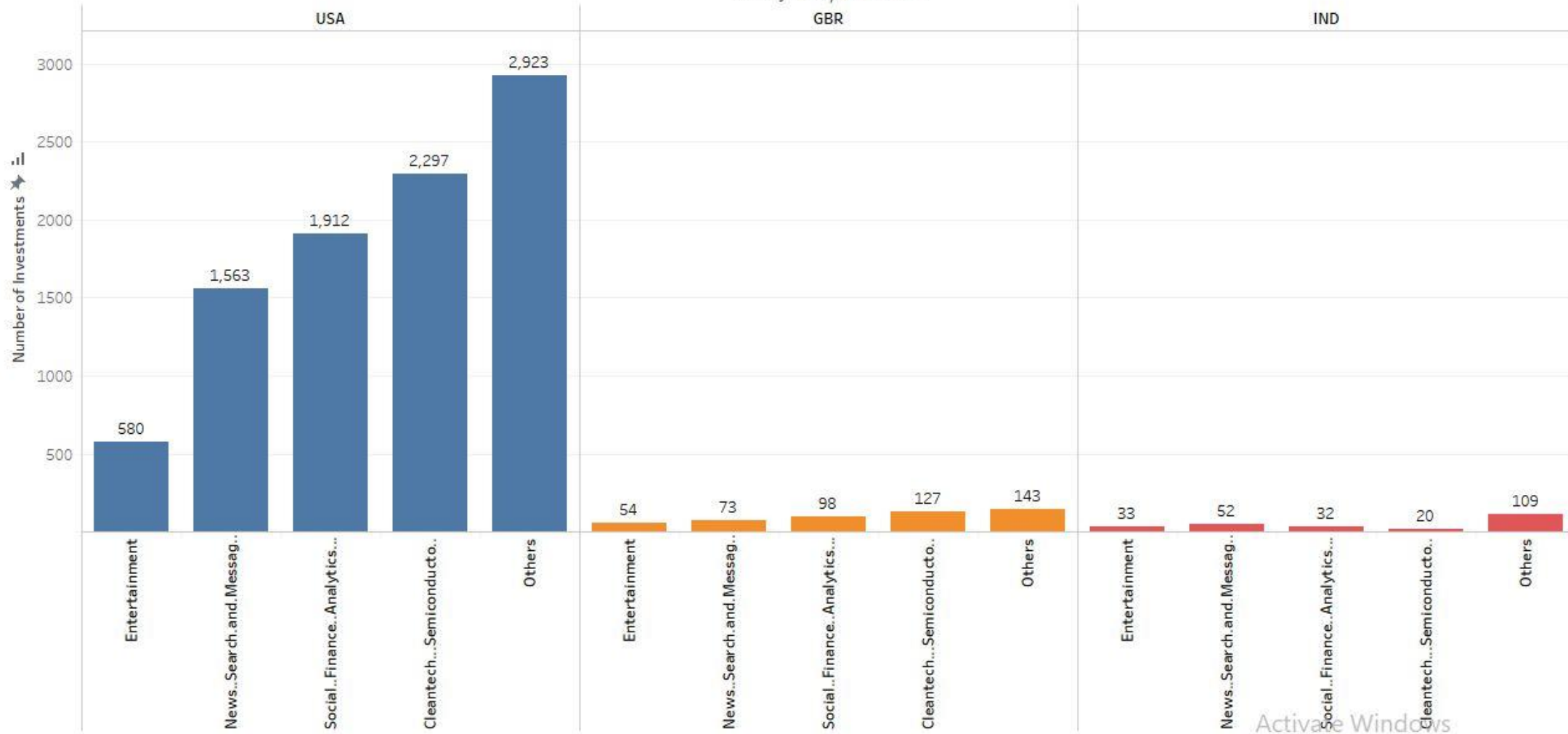
Sector Analysis	USA	UK	India
Total number of Investments	11149	577	299
Total amount of investment (in Million USD)	997	50	27
Top I sector (no. of investment-wise)	Others	Others	Others
Top II sector (no. of investment-wise)	Cleantech/semi	Cleantech..Semi	News..Search..
Top III sector (no. of investment-wise)	Social/finance...	Social/finance...	Entertainment
No of Investment in Top I sector	2923	143	109
No of investment in Top II sector	2297	127	52
No of investment in Top III sector	1912	98	33

- Around 25% of investment in top 3 countries is in Others sector
- More than 20% investment in USA and UK is in CleanTech /Semiconductor secors.
- Social, Finance, Analytics, Advertising almost equals the number of investment in Entertainment
- Though News, Search and Messaging and Entertainment are top sectors in India apart from Others sector average investment in these sectors is less than 15%.

Hence, Others and Cleantech/Semiconductors can be considered top two sectors

NOTE : main_sectors for companies which could not be identified and marked NA are excluded from the calculation mentioned above.

Country Code / Main Sector



Our Analysis : Others and Cleantech/semiconductors are the top two sectors considering the maximum investment in top 2 countries USA and UK

Conclusion

- For the given investment amount **Venture type** is reported to be the best suited investment type
- **USA , UK and India** are the top countries where investors are investing
- **Top 3 sectors in USA and UK**
 - ✓ Others
 - ✓ Cleantech/Semi-conductors
 - ✓ Social, Finance, Analytics, Advertising

Top sectors in India

- ✓ Others
- ✓ News, Search and Messaging
- ✓ Entertainment
- one fourth of total investment are in Others sector for all top 3 countries.
- Cleantech/Semi conductors investments are more than 20% in USA and UK
- Social, Finance, Analytics, Advertising ranks third in USA and UK and almost equals in the number of investment in India

Result : Considering high percentage of investments in Others and Cleantech/Semi-conductors it is best advised for Spark funds to invest in these sectors in top 3 countries.