

INVESTMENT ASSIGNMENT SUBMISSION

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Project Brief : Spark Funds, an asset management company 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.

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

Business Objective : To identify the best sectors, countries, and a suitable investment type for making investments.

Constraints for investments :

1. Fund House wants to invest between 5 to 15 million USD per round of investment.
2. It wants to invest only in English-speaking countries.

Data (Source : crunchbase.com):

1. Company details: Basic data of companies like Unique ID of company, Company name, Country Code, etc.
2. Funding round details: Unique ID of company, Unique ID of funding round, Money raised (USD), Type of funding – venture, angel, private equity etc.
3. Sector Classification: mapping numerous category names to eight broad sector names.

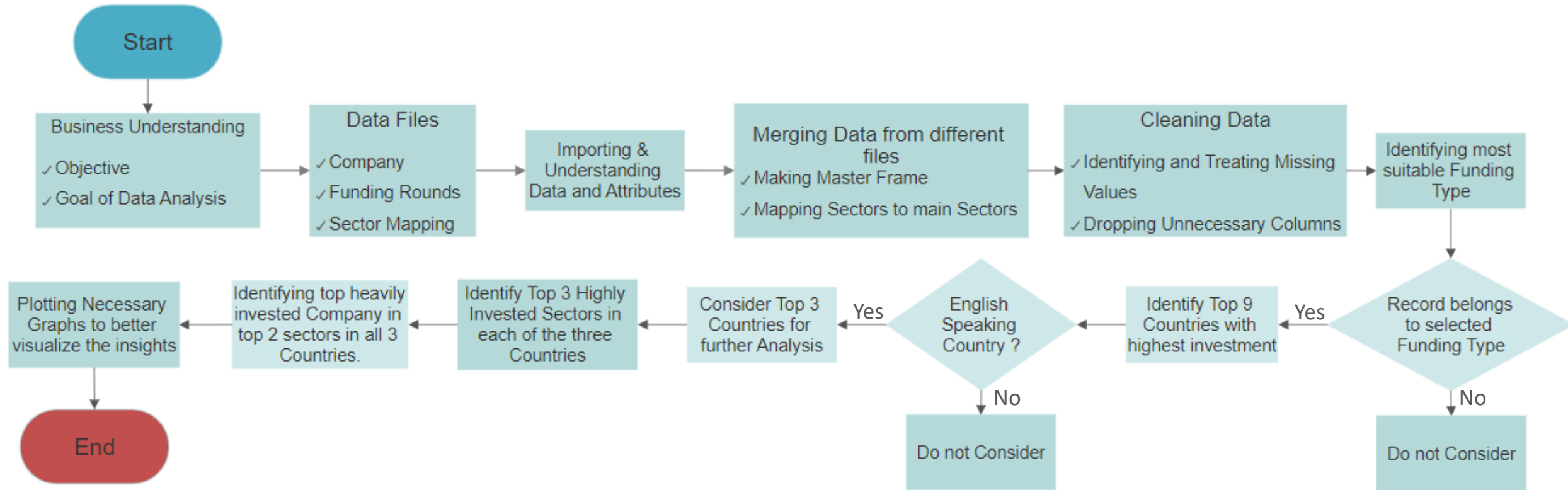
Data Analyzed

Companies

66368

Rounds

114949

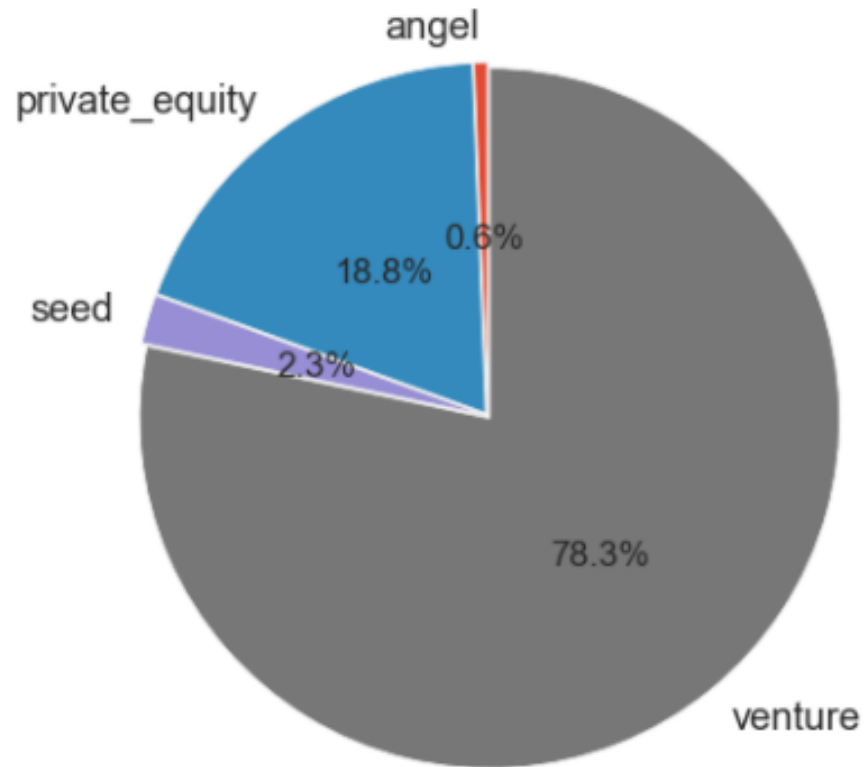


- ❖ Fund house wants to invest between 5 M to 15 M per Investment round.
- ❖ As per below Table, we can say that “VENTURE” will be the most suitable Investment Type for Spark Funds.

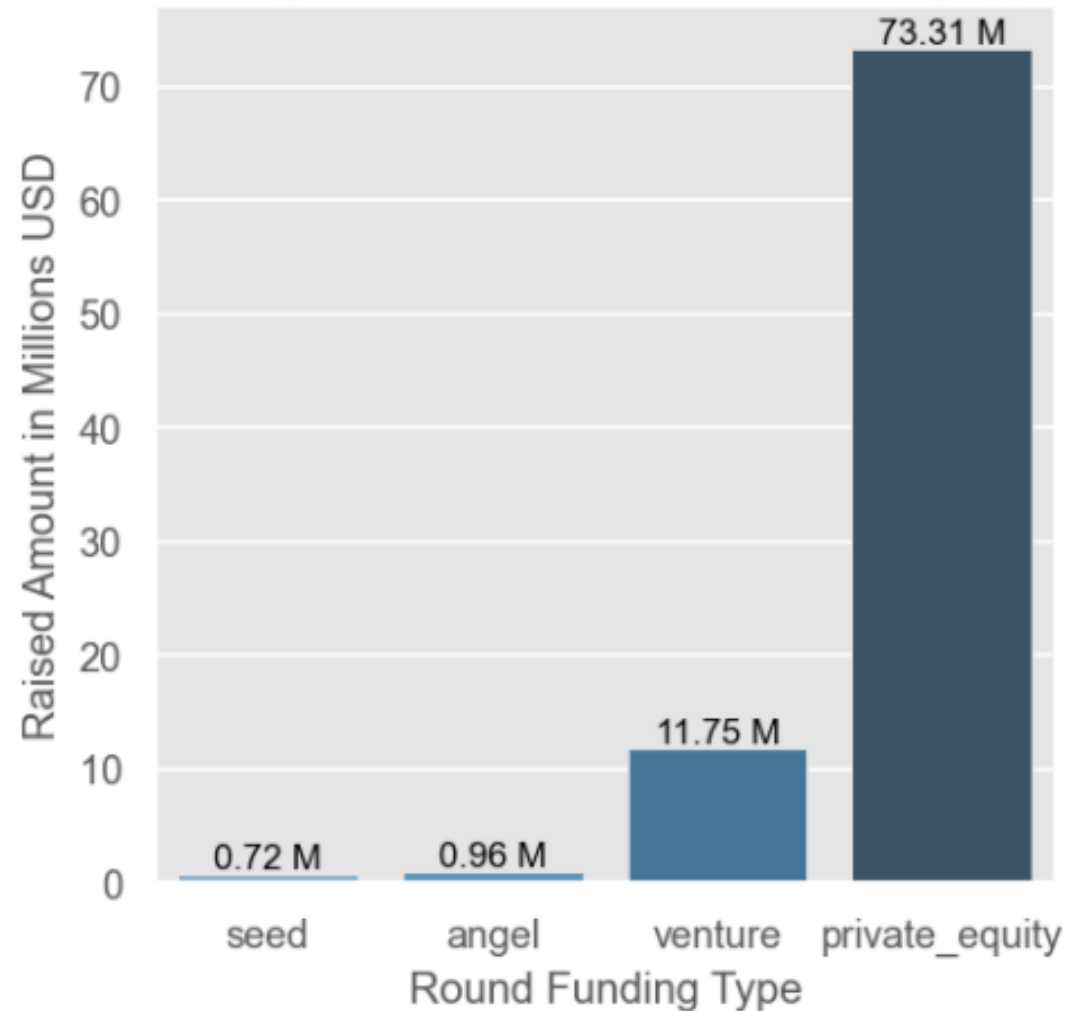
	Round Type	Average Amount raised
0	seed	0.72 M
1	angel	0.96 M
2	venture	11.75 M
3	private_equity	73.31 M

	Round Type	Total Amount raised
0	angel	4.66 B
1	seed	16.99 B
2	private_equity	141.93 B
3	venture	590.13 B

Distribution of Total Amount raised

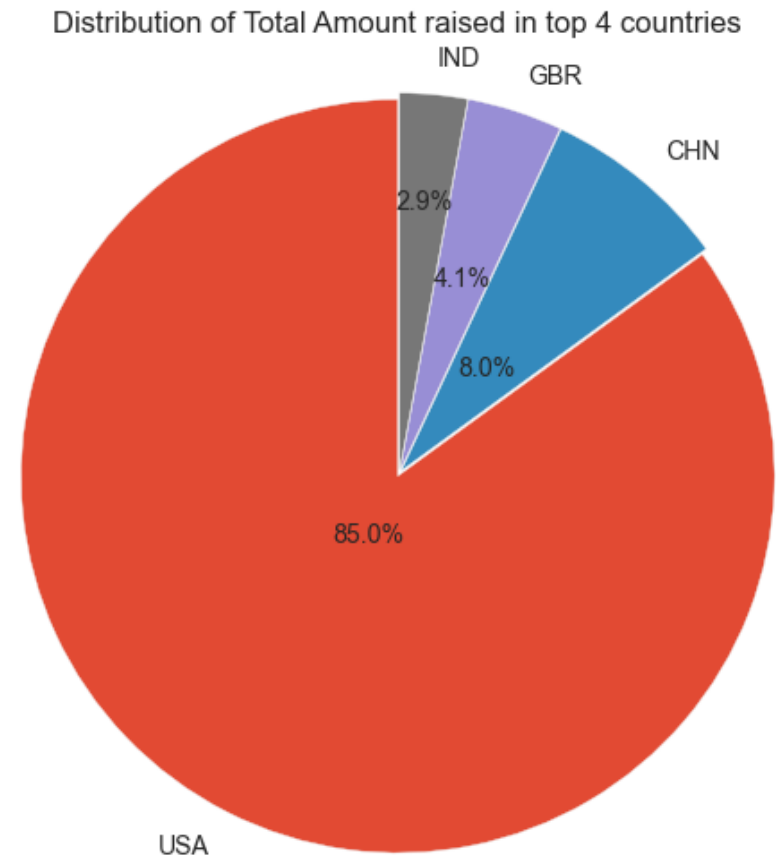


Average Investment in each funding type



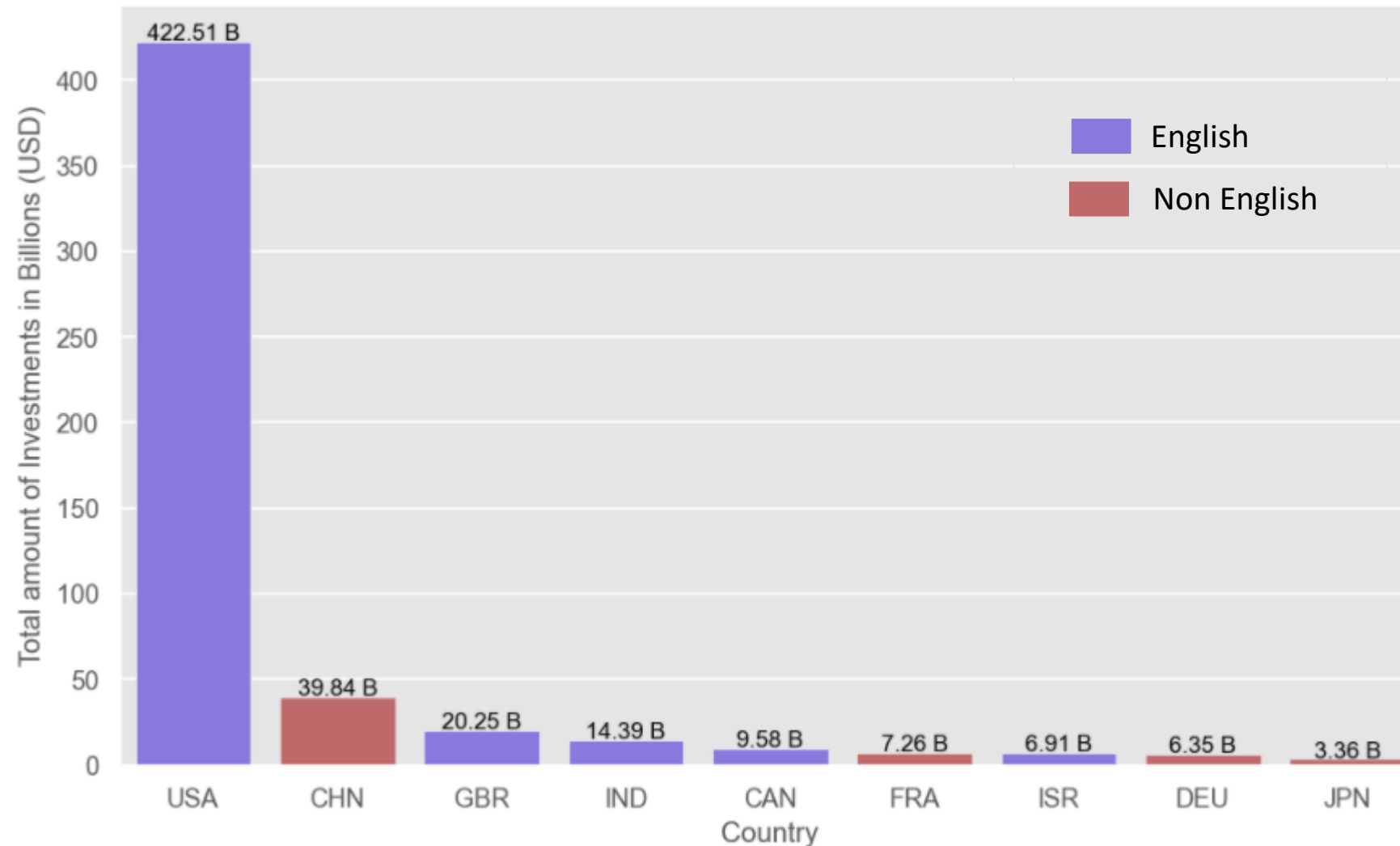
- ❖ Spark funds is interested in countries which have been the most heavily invested in the past.
- ❖ It wants to invest only in English-speaking countries.
- ❖ As per data, USA, United Kingdom & INDIA are the top three highly invested English-speaking countries.

	Country Code	Total Amount raised	English Speaking
0	USA	422.51 B	Yes
1	CHN	39.84 B	No
2	GBR	20.25 B	Yes
3	IND	14.39 B	Yes
4	CAN	9.58 B	Yes
5	FRA	7.26 B	No
6	ISR	6.91 B	Yes
7	DEU	6.35 B	No
8	JPN	3.36 B	No



Supporting Plot

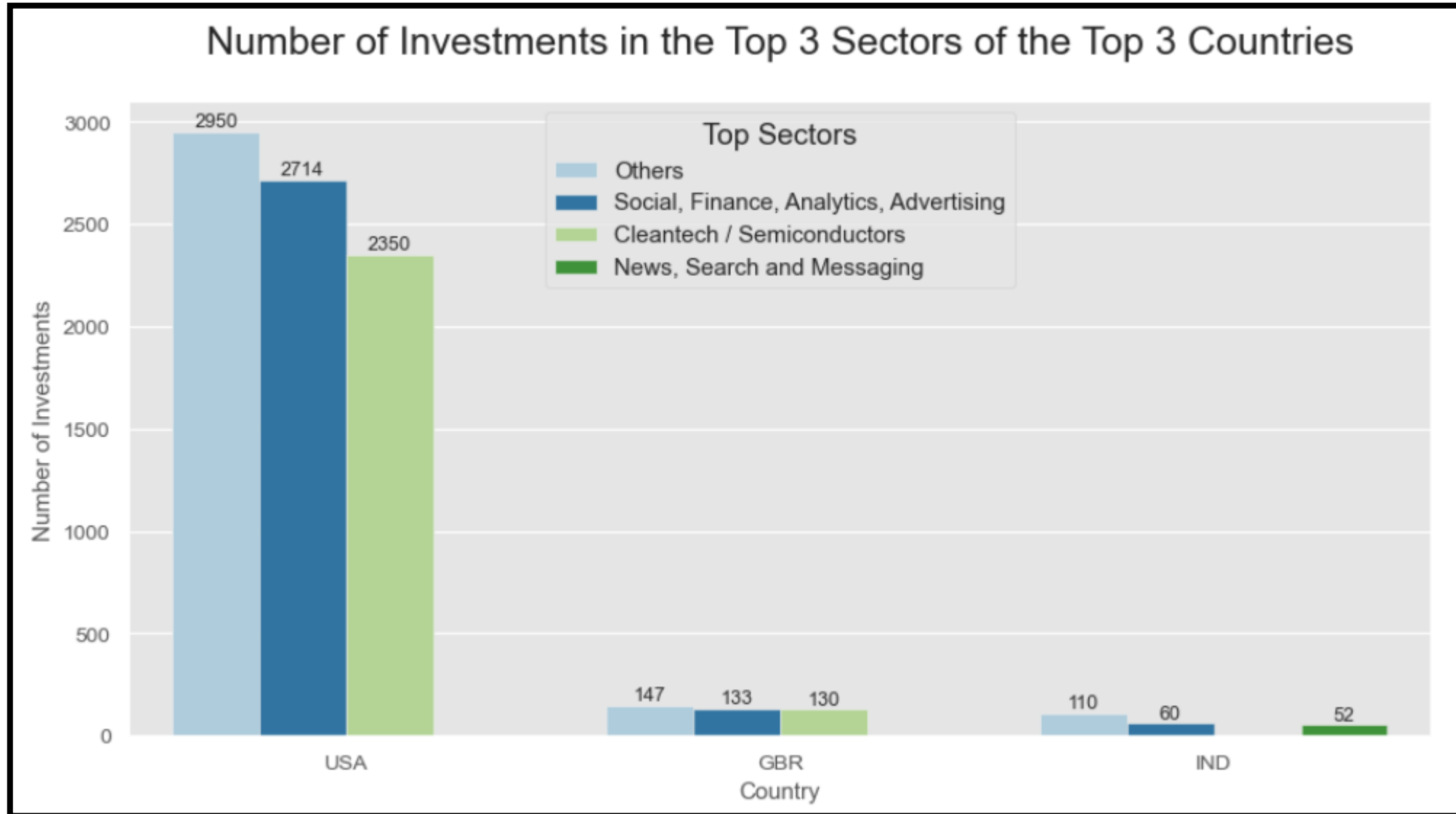
Top 9 Countries against the Total amount of Investments in Venture FT



❖ Based on Analysis, below are the top 3 Sectors in the top 3 countries where global investor are heavily invested.

Rank	Country	Top Sectors	Number of Investments
1	USA	Others	2950
2		Social, Finance, Analytics, Advertising	2714
3		Cleantech / Semiconductors	2350
1	GBR	Others	147
2		Social, Finance, Analytics, Advertising	133
3		Cleantech / Semiconductors	130
1	IND	Others	110
2		Social, Finance, Analytics, Advertising	60
3		News, Search and Messaging	52

Supporting Plot



Based on the Business Objectives, constraints & strategy, Spark Funds can now take below investment decisions that are backed by data.

- ✓ Spark Funds should consider investing in **VENTURE** funding type. [Chart](#)
- ✓ USA is comparatively highly invested country than all other countries, so Spark funds should consider investing most of it's funds in **USA** in “Others”, “Social, Finance, Analytics, Advertising” & “Cleantech / Semiconductors” Sectors. [Chart](#)
- ✓ It can also distribute it's investment funds in other countries namely, **United Kingdom** & **India** in different sectors based on the top 3 sectors in each country ([more detail](#)). This will help in diversification of funds leading to lesser risk in case of slowdown in any one of the country.