

# INVESTMENT ASSIGNMENT SUBMISSION

Name: SHRUTI SHARMA

**Abstract**

The CEO of Spark Funds wants to understand the global trends so that they can take the investment decisions effectively and make investments in few companies

**Business understanding:**

The overall strategy is to invest where most investors are investing with two minor restrictions for investments as listed below:

- Spark funds wants to invest between 5-15 million USD per round of investment.
- They want to invest only in English speaking countries.

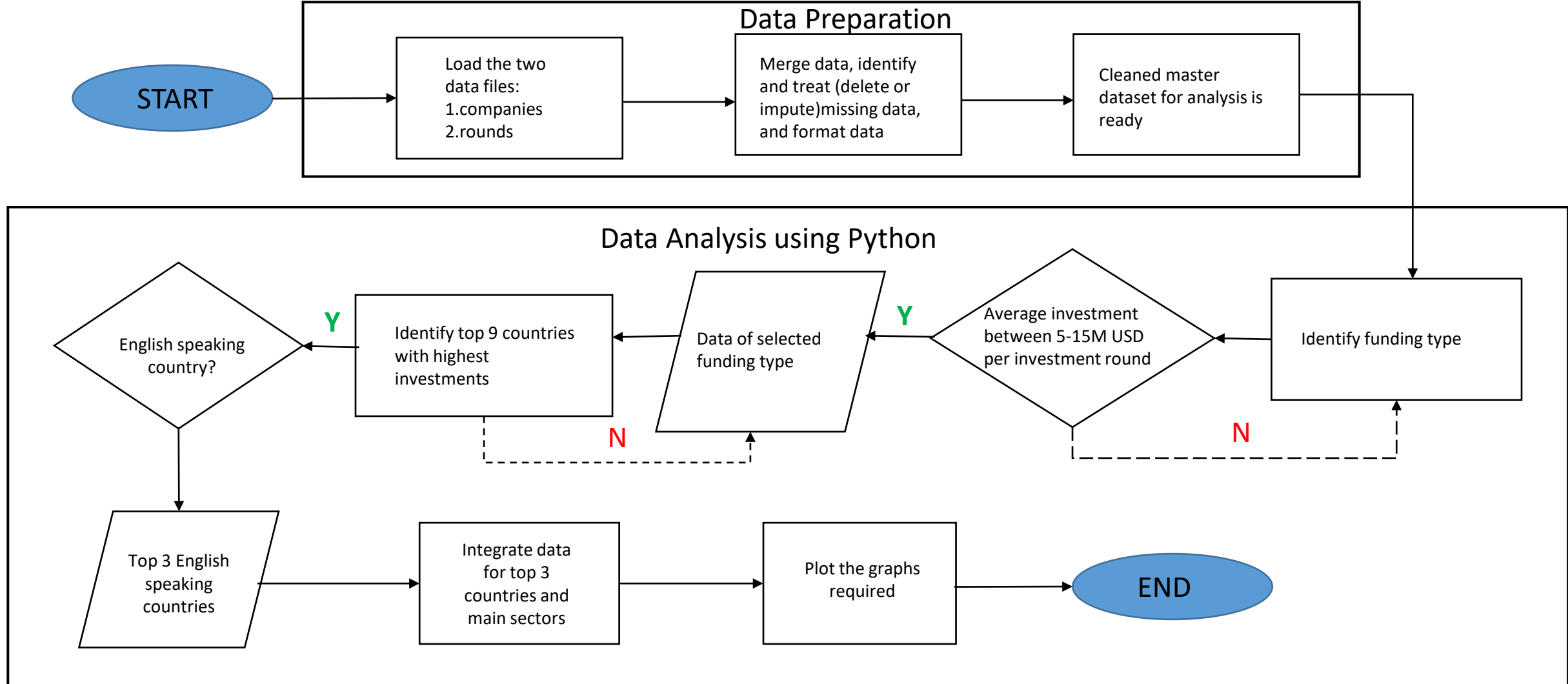
**Data Understanding and goals:**

There are three goals for analysis as below:

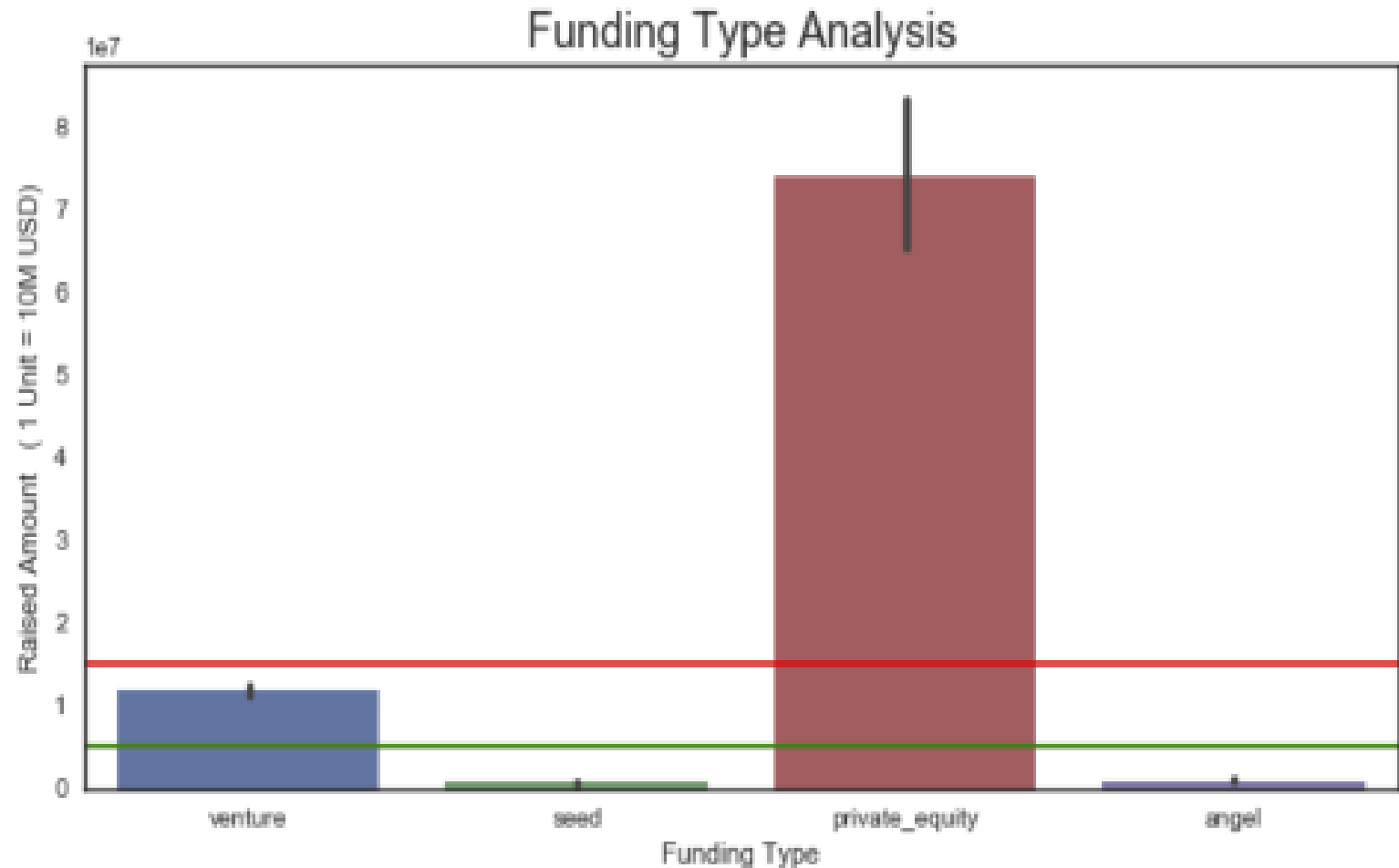
**Investment type analysis:** Comparing the typical investment amounts in the venture, seed, angel, private equity etc. so that Spark Funds can choose the type that is best suited for their strategy.

**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



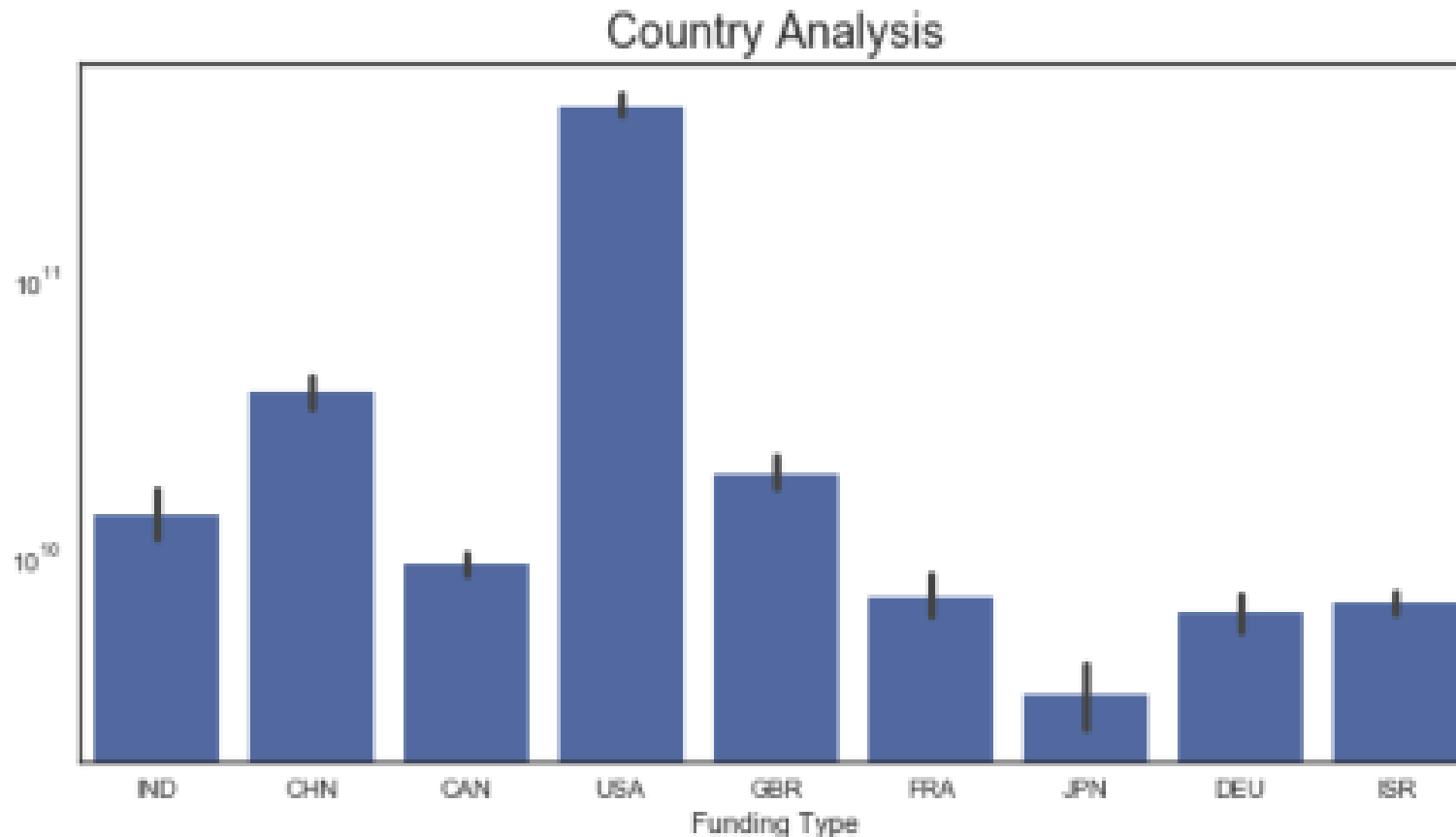
**Plot 1:** A plot showing the representative amount of investment in each funding type.



## KEY RESULTS

- ✓ There are 14 different type of funding. Out of these, we are looking into 4 investments:-
  1. Angel
  2. Seed
  3. Venture
  4. Private equity
- ✓ Avg investment amount for seed and angel type are below 5M USD stating the limit of Sparks Fund whereas private equity exceeds the limit of 15M USD, thus, all these 3 are out of scope
- ✓ Venture is the only funding type between 5M USD – 15M USD.

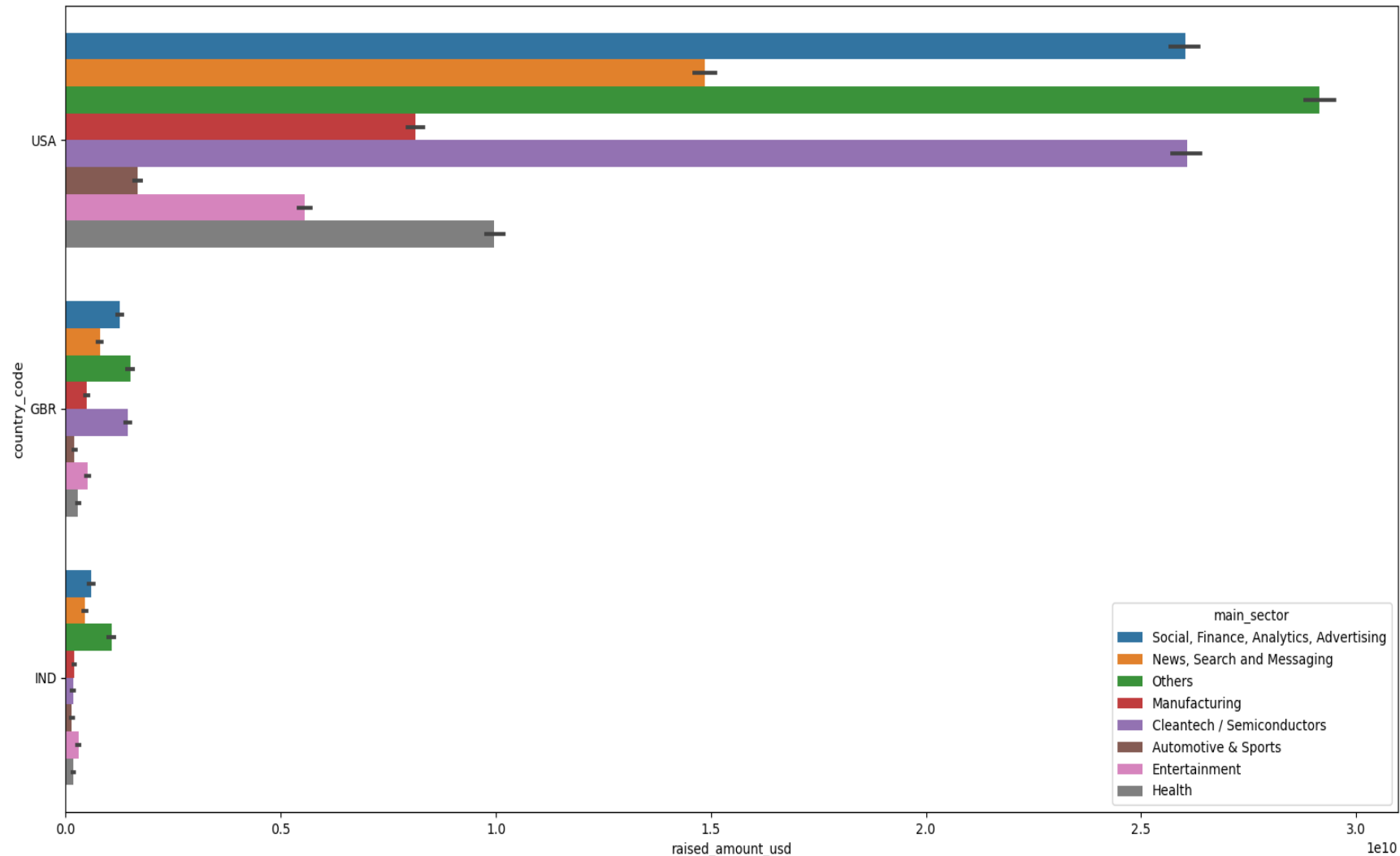
**Plot 2:** A plot showing the countries in each funding type.



## KEY RESULTS

- ✓ USA amounts as the most invested country with a total of 420B USD.
- ✓ CHN (China) ranks second but is out of scope as its not an English-speaking country.
- ✓ Thus, GBR (United Kingdom) and IND (India) along with USA grab the position of top 3 countries for investments

**Plot 3:** Investment in top 3 countries across main sectors



## KEY RESULTS

- ✓ USA and GBR could invest in “Others”, “Social , Finance, Analytics , Advertising” and “Cleantech/semiconductors” as these are the top 3 sectors in these countries.
- ✓ However, IND could invest in “Others”, “Social , Finance, Analytics , Advertising” and “News, Search and Messaging”

# Sparks Investment: Conclusions

Below are details for investing across top 3 countries, top sectors and companies for investment in **Venture** funding type

Countries to invest -->	USA	GBR	IND
Main Sectors to invest in -->	Others	Others	Others
	Social, Finance, Analytics, Advertising	Cleantech / Semiconductors	Social, Finance, Analytics, Advertising
	Cleantech / Semiconductors	Social, Finance, Analytics, Advertising	News, Search and Messaging
Companies to invest in -->	EMORY-UNIVERSITY	IP-ACCESS	FIRSTCRY-COM
	VIRTUSTREAM	ELECTRIC-CLOUD	MYNTRA

## KEY RESULTS

- ✓ Spark Funds should consider investing in **Venture** funding type.
- ✓ The most promising main sector across all countries is 'Others'.
- ✓ USA has most investments in the main sector 'Others' followed by 'Social,Finance,Analytics,Advertising' and 'Cleantech/Semiconductors' main sector.
- ✓ Other than USA, GBR and IND are the countries to be invested in. This would reduce risk due to country specific economic fluctuations.
- ✓ For USA,GBR and IND; 'Emory-University', 'IP-Access' and 'Firstcry-com' are the best companies to invest in respectively.