

INVESTMENT ASSIGNMENT SUBMISSION

Name: Prashant Upadhyay

Abstract

- Spark Funds, an asset management wants 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'.
- Constraints for investment by Spark Funds
 - **5-15 million USD** per round of investment
 - Wants to invest only in **English speaking countries** due to ease of communication

Problem Solving Methodology

Business Understanding

- Define the problem

1

Get the data from various sources

2

Data Understanding

- describe datasets
- explore data
- check data quality

3

Data Preparation

- select relevant data
- merge datasets
- clean the data

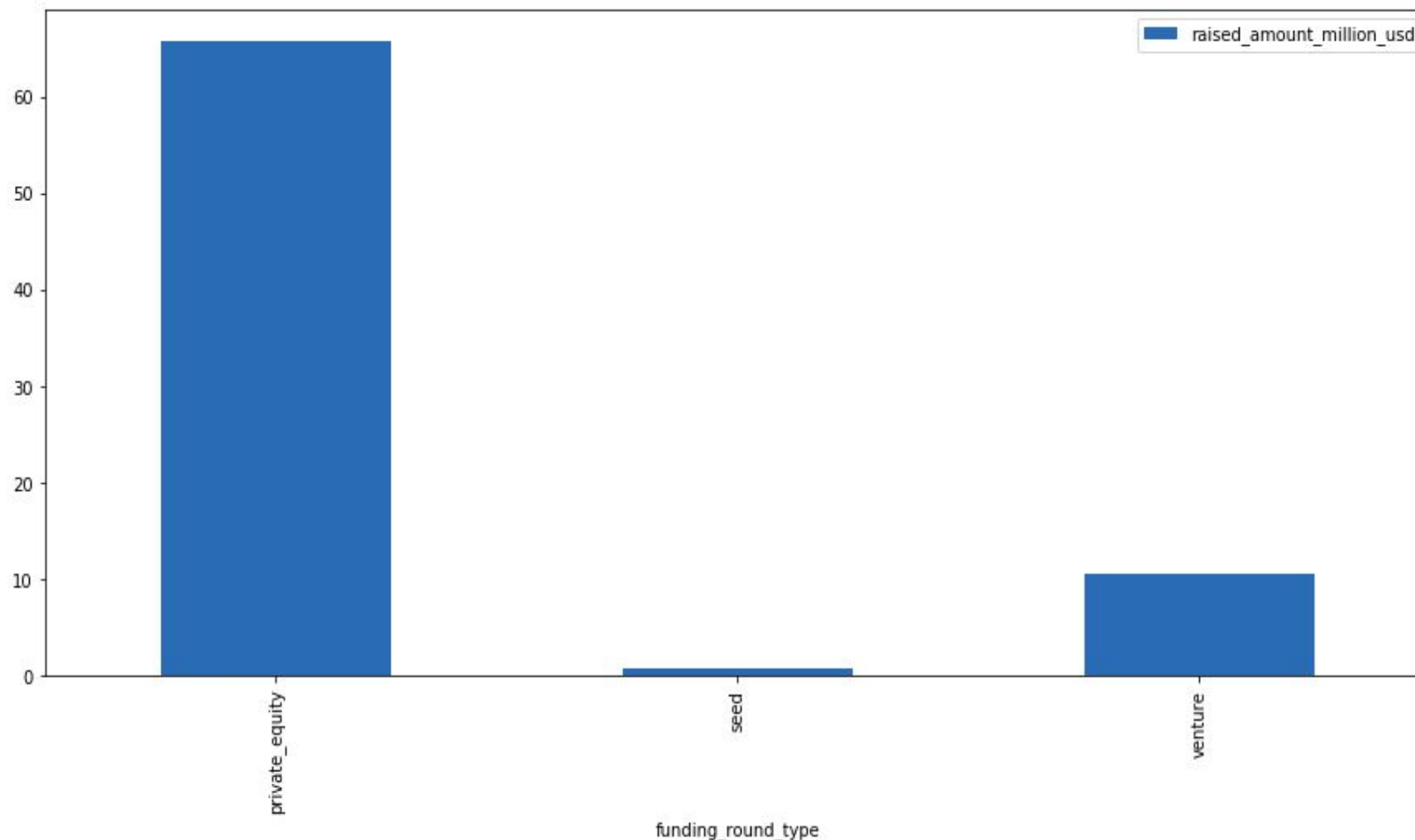
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Data Analysis

- describe data
- plot data

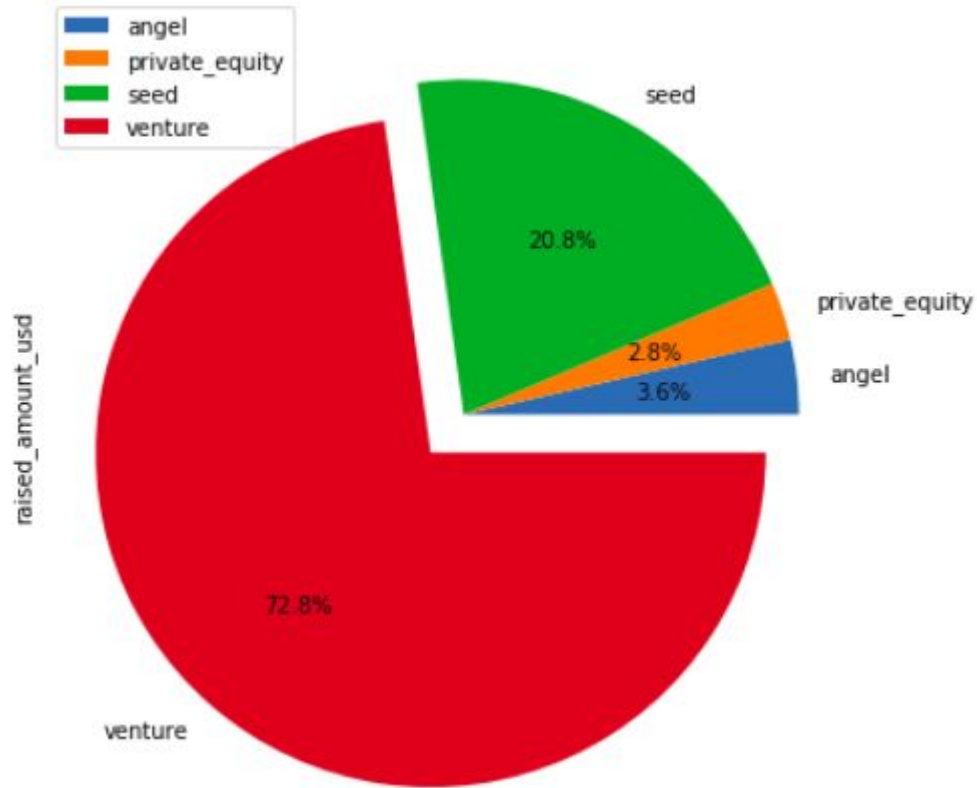
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Investment Analysis



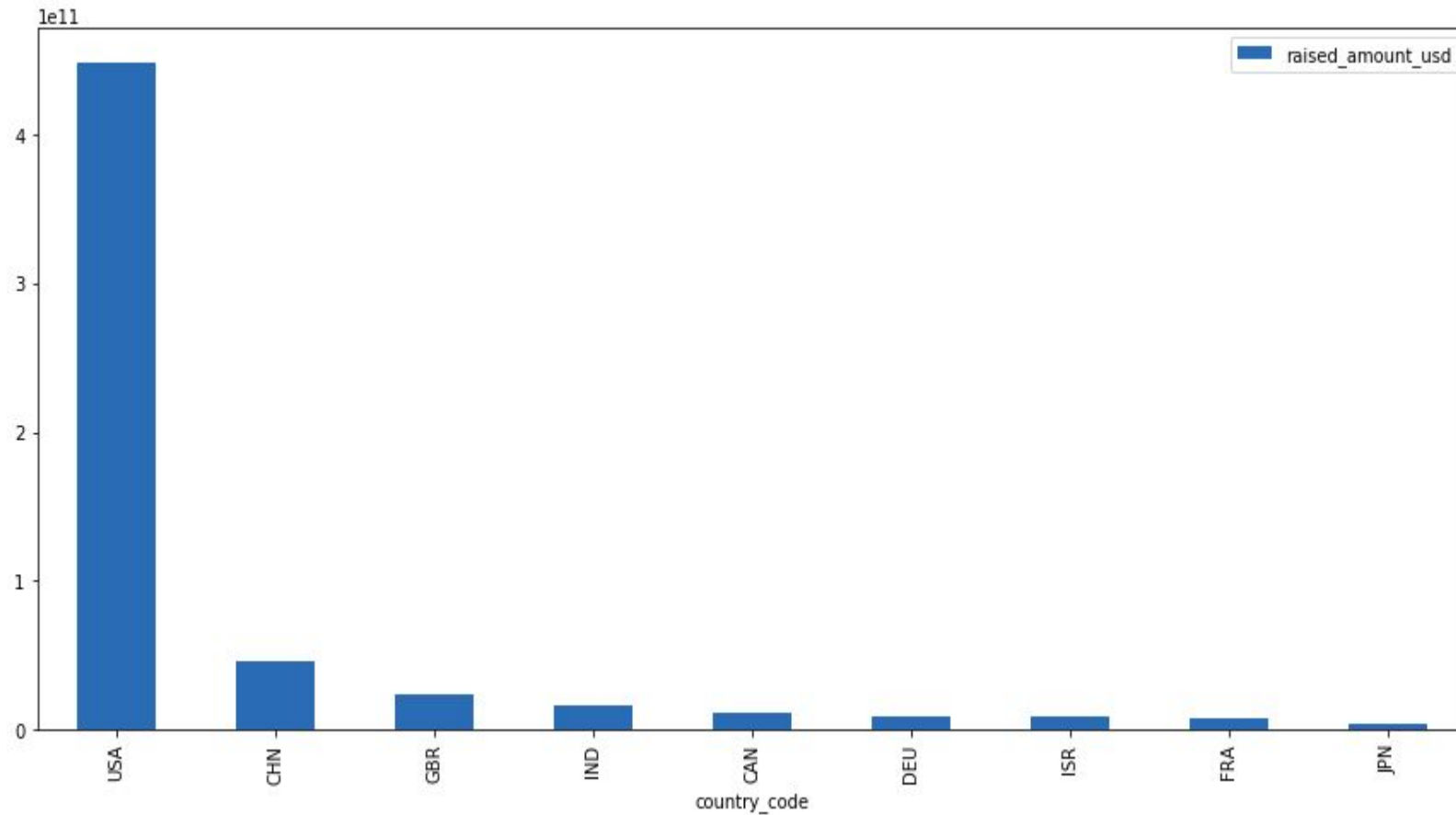
- Avg Investment for **private equity** funding type is very high and does not lie in the budget of Spark funds.
- **Venture** funding round type is the **most suitable** type for the company in terms of amount of investment as its average funding amount is **10 million USD** which lies well within the budget
- **Seed** funding round type has an average funding of around **0.75 million USD** which is too low.

Round Type Investment Analysis



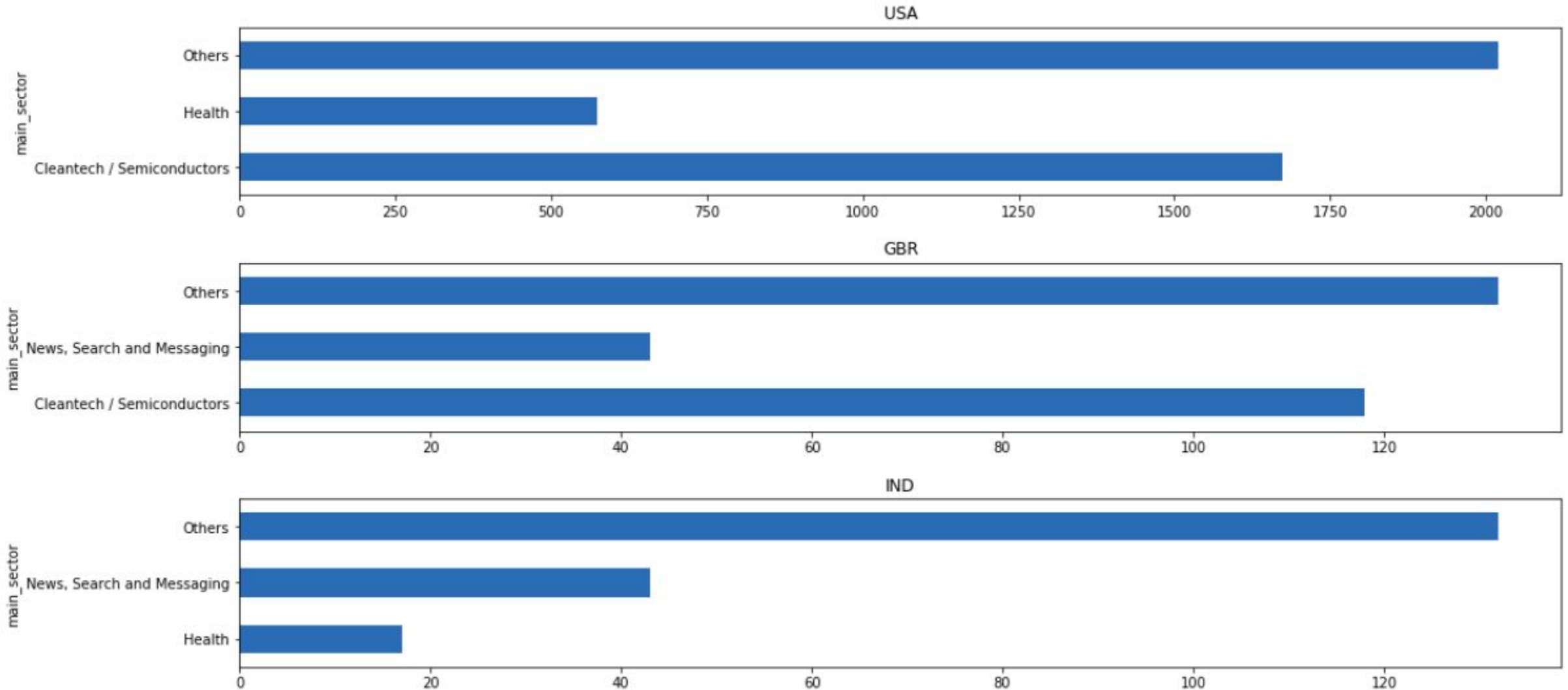
- **VENTURE** funding round type is the type where around 73% of the total investments are taking place.
- Most of the investors are investing at the time of venture funding round of the companies.
- It will be a bit safe and profitable for Sparks Funds to invest in the venture funding round type.

Country Analysis



- These are the top countries where different types of funding is being taken place.
- USA, China and Great Britain are the top 3 countries where investors are investing the most.
- China is non-English speaking country so communication may become difficult.
- The top 3 English speaking countries where investors are investing the most are **USA, Great Britain and INDIA.**

Sector Analysis for top 3 english speaking countries



Sector Analysis

1. Among the 8 following main categories of the sector
 - a. Automotive & sports,
 - b. Cleantech/ Semiconductors
 - c. Entertainment
 - d. Health
 - e. Manufacturing
 - f. News, Search and Messaging
 - g. Social, Finance, Analytics, Advertising
 - h. Others

All the top 3 countries, most investors are interested in **others'** sectors.

2. **Cleantech/ Semiconductors** is 2nd most popular sector in USA and GBR but in India, **News, Search & Messaging** is the 2nd most popular.
3. The 3rd most most invested sector in USA and India is **Health** sector whereas in GBR, **News, Search & Messaging** is the one.

Conclusions

1. For Sparks Funds, the most suitable funding round they can invest in is the **Venture Round** where an average investment per round is around 10 million USD which is very well within the budget of 5-15 million USD.
2. The english speaking countries where they can invest in with ease of communication are **USA, Great Britain and India**.
3. The sectors where most of the investors are investing are the **Others, Cleantech/ Semiconductors, Health and News, Search and Messaging**.