

## Funding ticks downwards:



After the **Q4'15** crash in investment dollars, global funding to VC-backed companies in **Q1'16** dropped further to total

\$25.5B.



## Deals see further drops globally:

Deal activity across all major markets dropped and financings slowed to end at

1829

for the quarter.



## Unicorn creation at near-standstill:

As existing **Unicorns** battled negative press, downrounds and markdowns, only

5

new VC-backed Unicorns were minted in **Q1'16**.



## Corporates accelerate deal pace:

Corporate and CVC participation in deals rose to



27%,

as corporations become increasingly active in private markets.

## North America

## US deal activity falls for third-straight quarter:

US deal activity continued to cool, with



\$14.8B

invested over

1035 deals.

## Late-stage deal sizes shrinking:

Mean late-stage deal size in North America plunged to

\$21.5M

in **Q1'16**, down from

\$30M in **Q4'15**.

## Continued signs of seed fatigue:

Seed deal share fell further to

22%

for **Q1'16** and **Series A** rounds actually outpaced seed deals.



## Early-stage deal sizes remain high:

Median early-stage deals in **Q1'16** at

\$3M,

up a full 50% from the same quarter a year before.



## New York sees growth:

New York has now outpaced **Massachusetts** for deal activity in each of the last



5 quarters.

## Europe

## Mixed signs in European financing:

Total funding in Europe crept up

8% to \$3.5B

in **Q1'16**, although deal count was on the decline.



## Seed deal share falls in Europe:

Seed share fell below

40% of all deals for the first time in at least **5 quarters**,

taking only 35% of deals going to **VC-backed** companies.



## UK deal, dollar activity dips:

UK-based startups raised

\$1.3B

in funding across 105 deals, both down slightly from **Q4'15**. Overall, ~36% of European funding.



## Germany deal, dollar activity diverges:

Funding to German VC-backed startups fell to **\$394M** in **Q1'16**, marking a fourth-straight quarterly drop.



## Asia

## Asia funding drop-off continues:

Deals to **VC-backed** Asian companies dropped a further

9% and funding dollars cratered 34%.



## Late-stage deals shrink dramatically:

As mega-rounds became a rarer sight, median late-stage deal size crashed from

\$154M

in **Q4'15**

\$62.5M

in **Q1'16**.

## China funding crashes further:

VC-backed companies in China received **\$4B** in funding, that's only

39%

of the Q3'15 quarterly peak.



## Corporates stay engaged in Asia:

Corporates participated in over

30%

of deals to Asian VC-backed companies for the third-straight quarter.



## India activity slows again:

Deals in India slipped 4% while funding fell 24% as VC-backed startups raised

\$1.2B

on 116 deals.

