

**Funding ticks up:**

Following 2 consecutive quarters of declines, global funding to VC-backed companies edged up 3% to

\$27.4B in **Q2'16**.

**Deals see further decline:**

Deal activity had already slowed noticeably in **Q4'15** and **Q1'16**, but global financings dropped a further



6% in **Q2'16**, down to 1886.

Slight recovery in unicorn birth rate:

Only **7** new VC-backed **Unicorns** were minted in **Q2'16**.

Corporates maintain deal pace:

Corporates and CVCs participated in over

25%

of deals for a 2nd straight quarter.



North America

US deal activity continues to reset:

US funding was up to

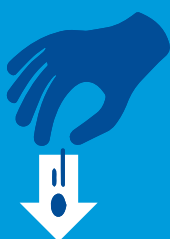
\$16.7B, rising **10%** from **Q1'16**.

However, the quarterly deal count of **1048** slipped **9%** from the quarter prior.

**Late-stage deal sizes stay low:**

Median late-stage deal size in North America ended the quarter at

\$25M, well below the **\$30M** median in **Q4'15**.

**Early-stage deal share depressed:**

Seed to Series A deal share in North America fell to **51%** of all deals to VC-backed companies, representing a **5-quarter** low.

Early-stage deal sizes remain high:

Median early-stage deals in North America matched last quarter's high of **\$3M**, up a full **50%** from the same quarter a year before.

**Deals fall across top US states:**

Quarterly deal growth was flat or negative across the **top 3 states** of California, Massachusetts, and New York.



Europe

Mixed results in Europe:

Deal count in Europe crept up

5% to **385**, although the funding total of

\$2.8B is **20%**

lower than that of **Q1'16**.

**Seed-stage deal share recovers in Europe:**

Seed/angel share jumped back to

49% after

suddenly falling below **40%** last quarter.

**UK deal, dollar activity continues fall:**

UK **VC-backed** startups raised

\$729M

in funding across **104 deals**, both numbers representing back-to-back **quarterly** declines.

**Germany deal, dollar activity diverges:**

Funding to German **VC-backed** startups rose to

\$492M

in **Q2'16**, reversing **4** straight quarters of negative growth.



Asia

Asia funding essentially flat:

Funding to **VC-backed** Asian companies was up just

2% to **\$7.4B**,

while deals dropped a further **12%** from the already-cooling activity seen in **Q1'16**.

**Late-stage deal size recovers to \$100M:**

After **Q1'16** saw median late-stage deals in Asia plunge several sizable rounds saw deal size recovery in **Q2'16**.

**Deal activity slips in China:**

Funding to VC-backed companies in China rose to

\$5.6B,

though deal count shrank

20% down to **74** for the **quarter**.

**India funding craters to \$583M:**

With investors **growing increasingly wary**, financing to **Indian VC-backed** companies continued to drop in **Q2'16**.

**Corporates maintain investment pace in Asia:**

Corporates participated

in over **30%** of deals to Asian VC-backed companies for the **4th straight quarter**.

