

Global Trends in Venture Capital: How Confident Are Investors?



July 16, 2012

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Methodology

The 2012 Global Venture Capital Confidence Survey was conducted jointly by Deloitte & Touche LLP and the National Venture Capital Association (NVCA). It was administered to venture capitalists in the following regions: the Americas, Europe, Middle East, and Asia Pacific.

Deloitte received 440 responses from general partners with assets under management ranging from less than \$50 million to greater than \$10 billion. Multiple responses from the same firm were encouraged as the survey was a general measurement of the state of global investing from general partners and not attitudes of specific firms.

The survey was conducted during April 2012 and May 2012.

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Participating venture capital associations

- African Venture Capital Association (AVCA)
- Australian Private Equity & Venture Capital Association Limited (AVCAL)
- Brazilian Association of Private Equity & Venture Capital (ABVCAP)
- British Venture Capital Association (BVCA)
- Canada's Venture Capital & Private Equity Association (CVCA)
- China Venture Capital and Private Equity Association (CVCA)
- Emerging Markets Private Equity Association (EMPEA)
- Indian Venture Capital Association (IVCA)
- Israel High Tech Industry Association (HTIA)
- Japanese Venture Capital Association (JVCA)
- Latin America Venture Capital Association (LAVCA)
- Singapore Venture Capital & Private Equity Association (SVCA)
- South African Venture Capital & Private Equity (SAVCA)

Responses and Demographics

440 total responses

- 28% from U.S.
- 72% non-U.S. countries

Survey conducted in the Americas, Europe, Middle East, and Asia Pacific

Responses from large, midsize and small firms, with the largest concentration, 34%, with \$100–\$499 million in assets under management

Key Findings

Venture capitalists are more confident investing domestically than globally.

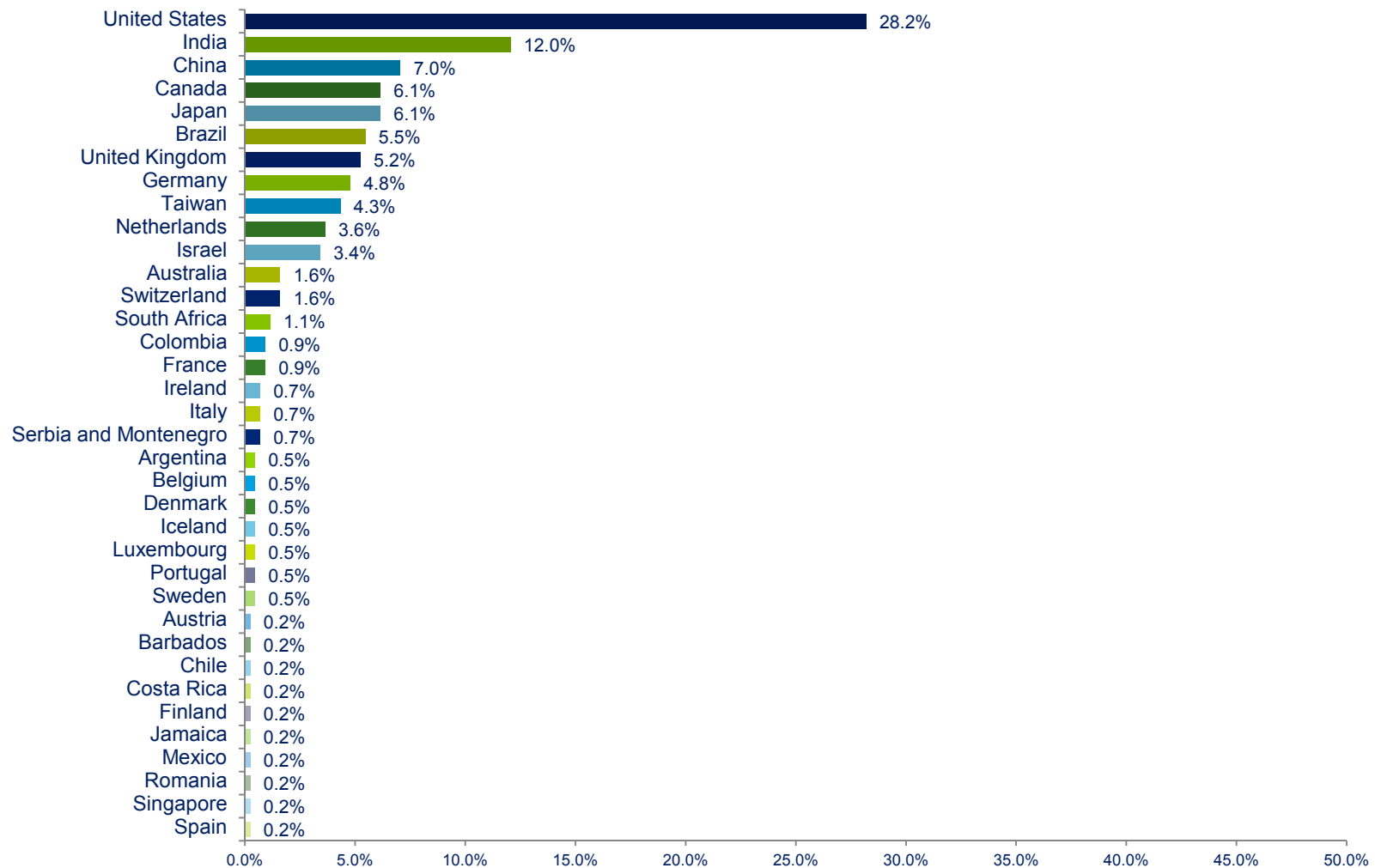
Venture capitalists are very confident in Brazil and IT sub-sector investing.

Venture capitalists confidence in investing in Europe is low.

While overall confidence remains low on the economy, capital markets and fundraising, investment confidence is still high.

Demographics

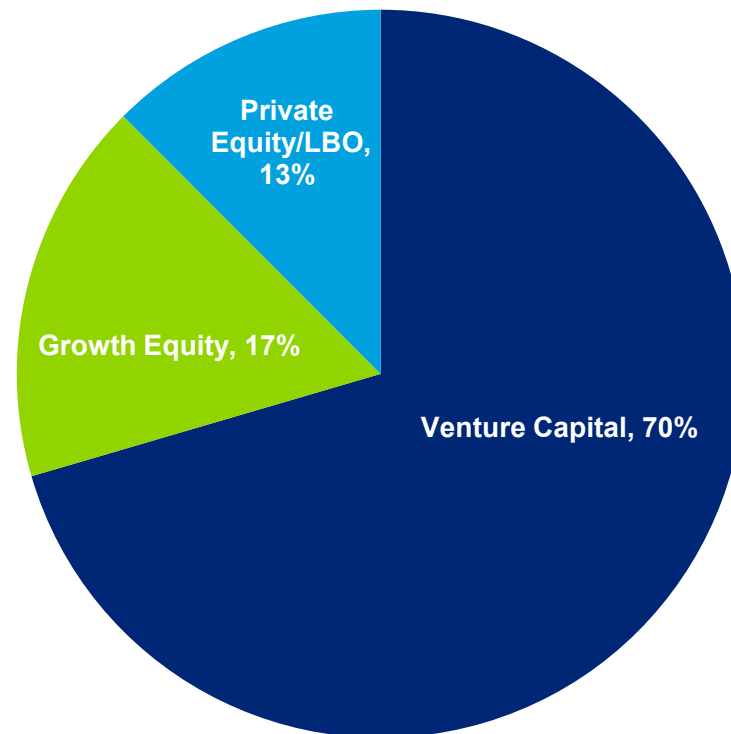
Country breakdown



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Demographics (cont.)

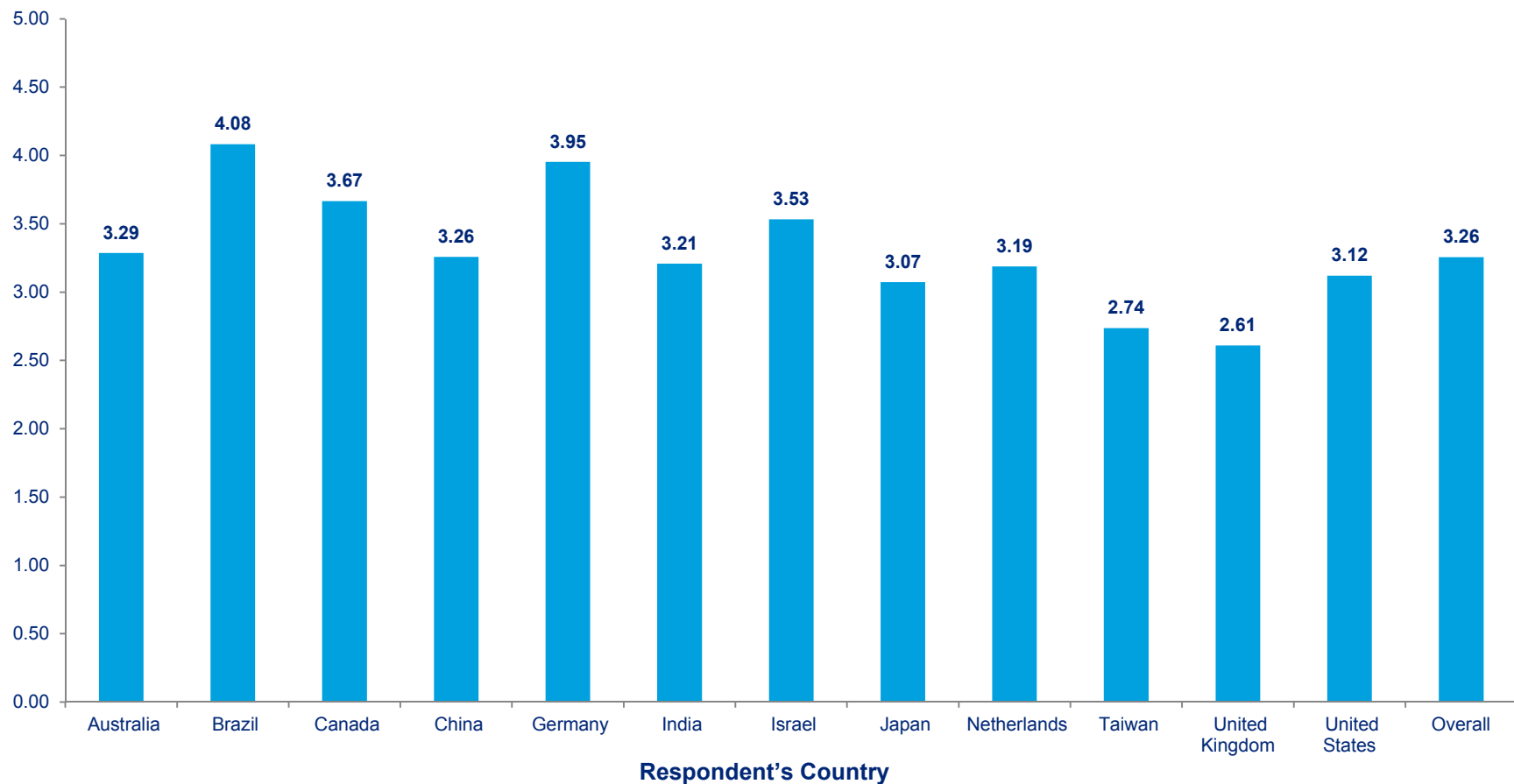
Primary investment area



Economic trends

Economic trends

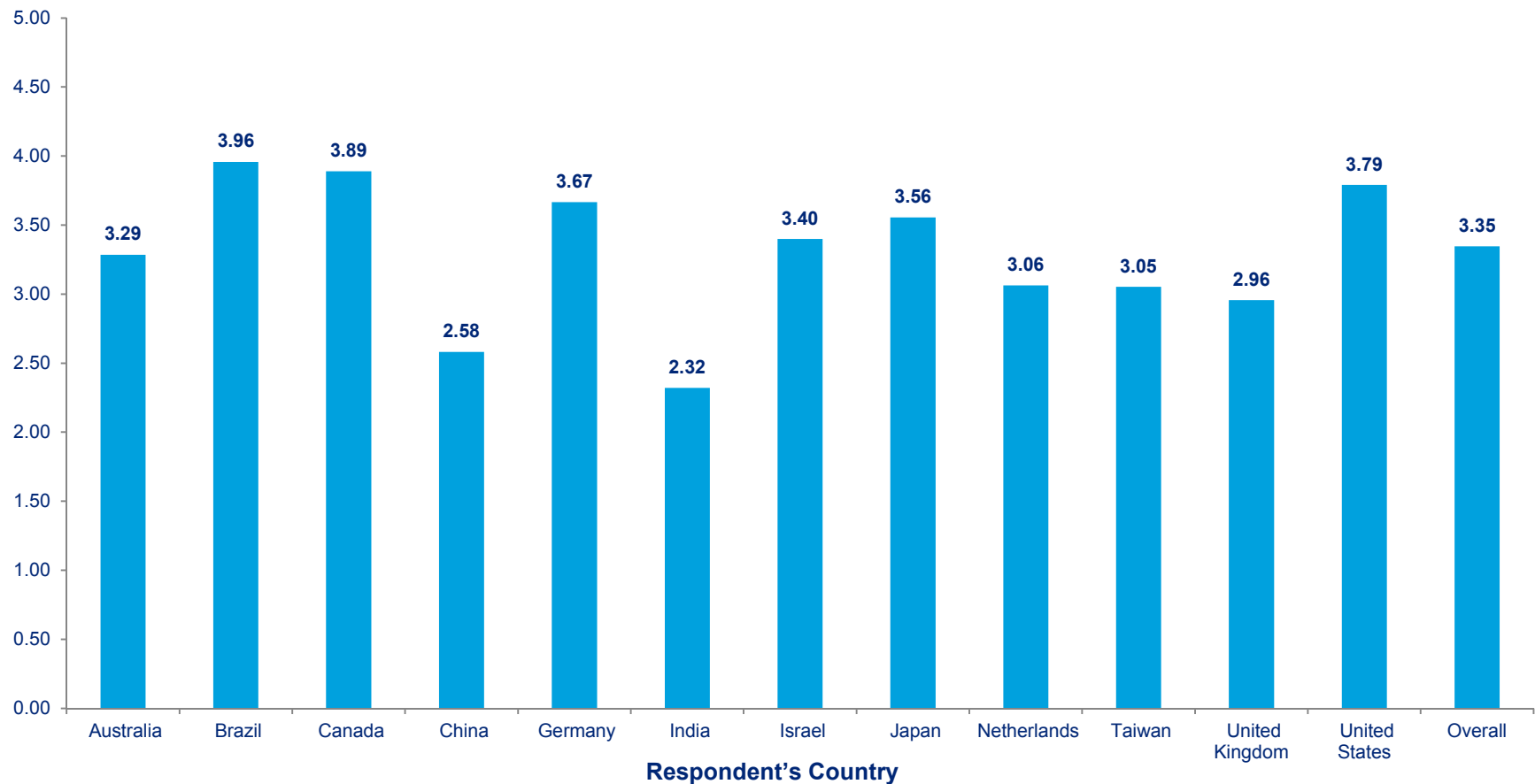
Overall confidence in my home country's macroeconomy in the next year



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Economic trends

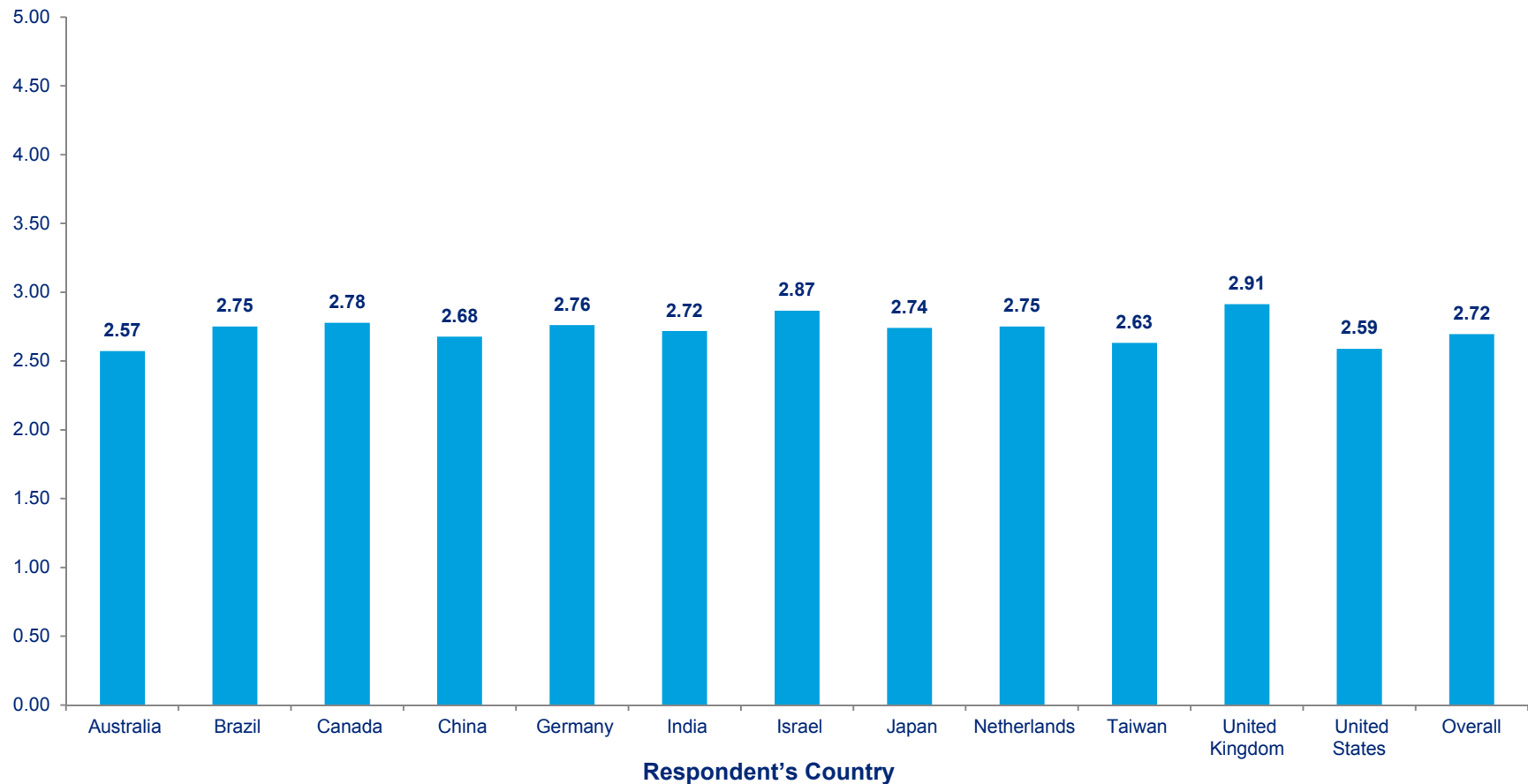
Level of confidence in my home country's macroeconomy today compared to two years ago



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Economic trends

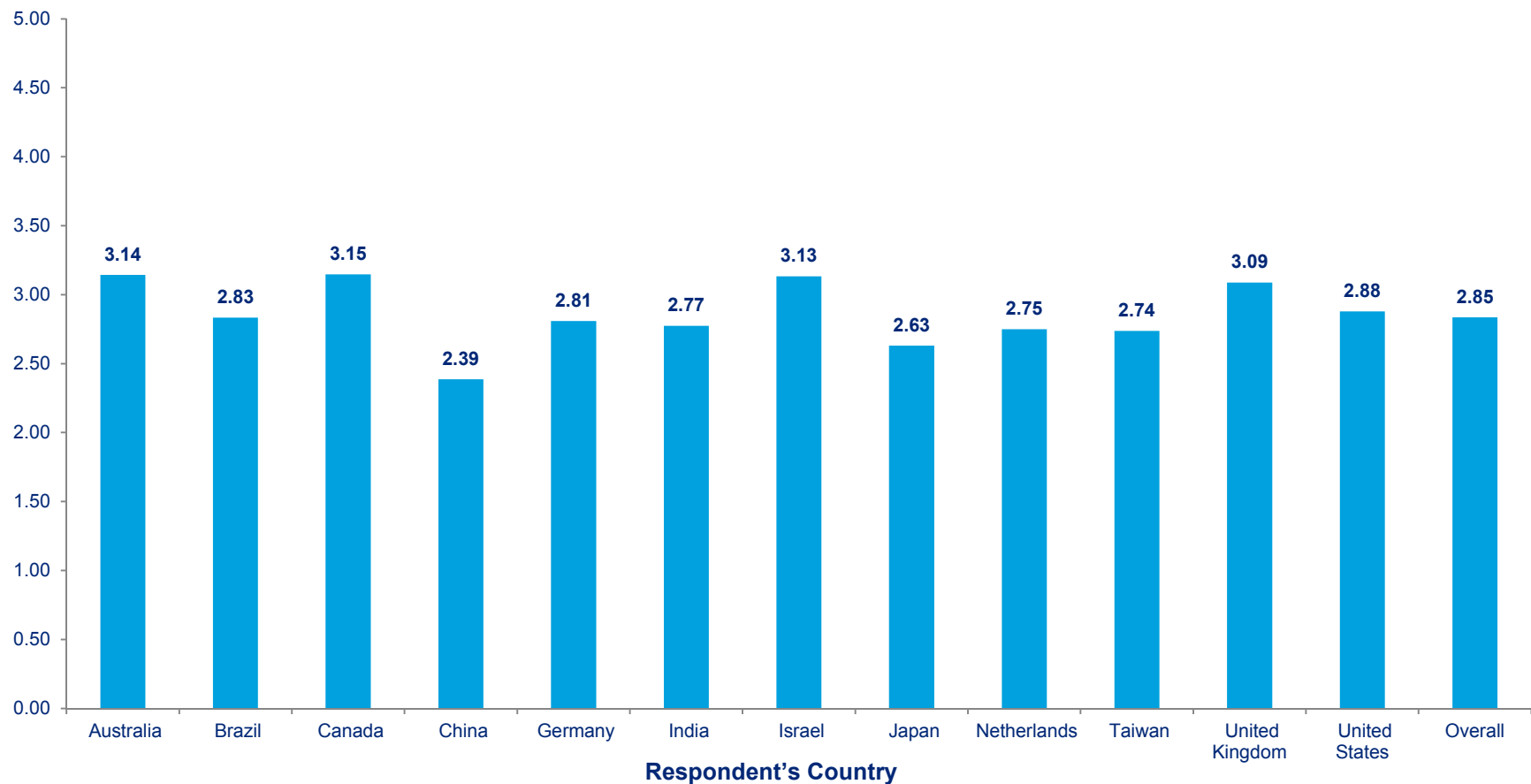
Overall confidence in the global economy in the next year



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Economic Trends

Level of confidence in the global economy today compared to two years ago

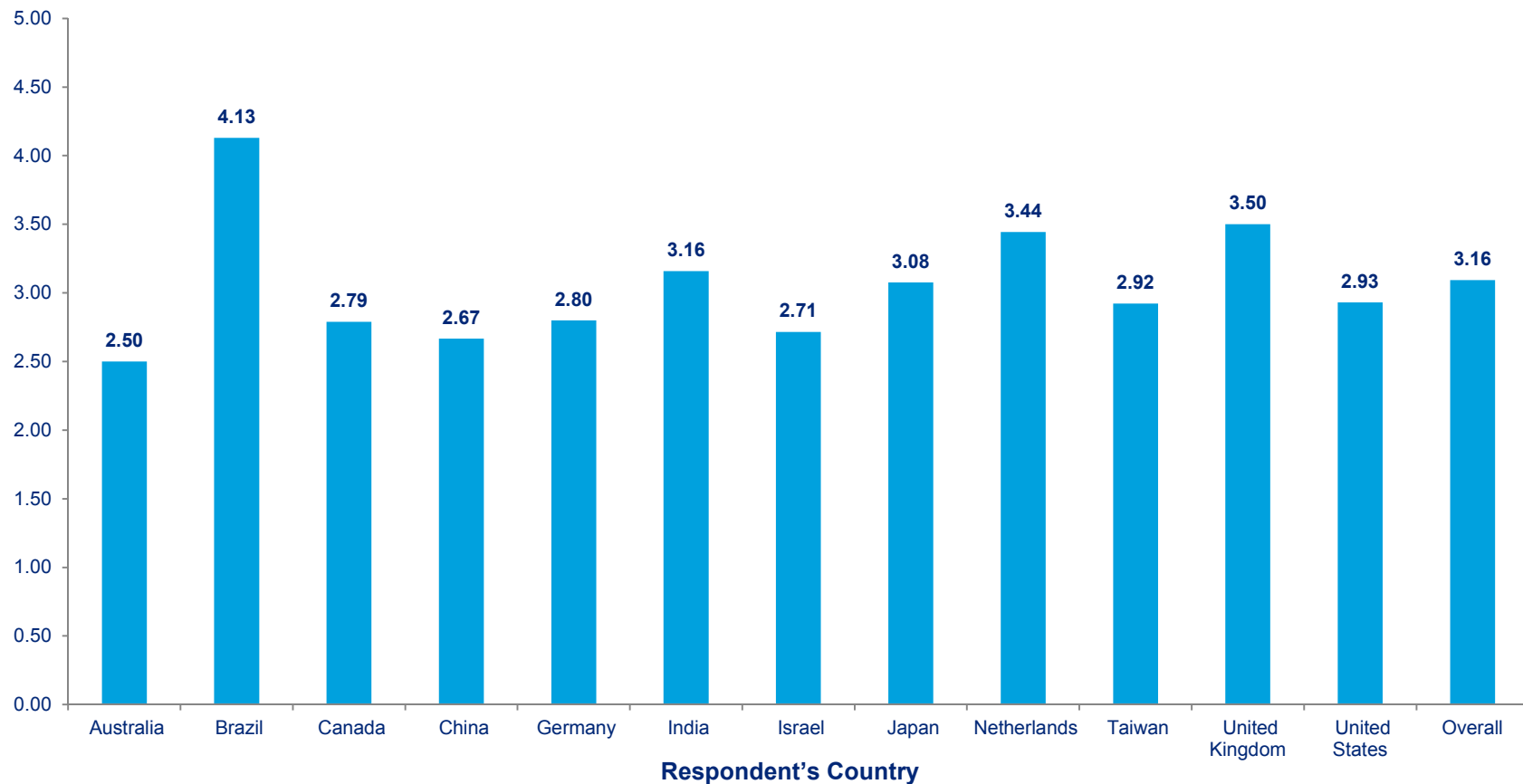


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Regional and country investing

Regional investing

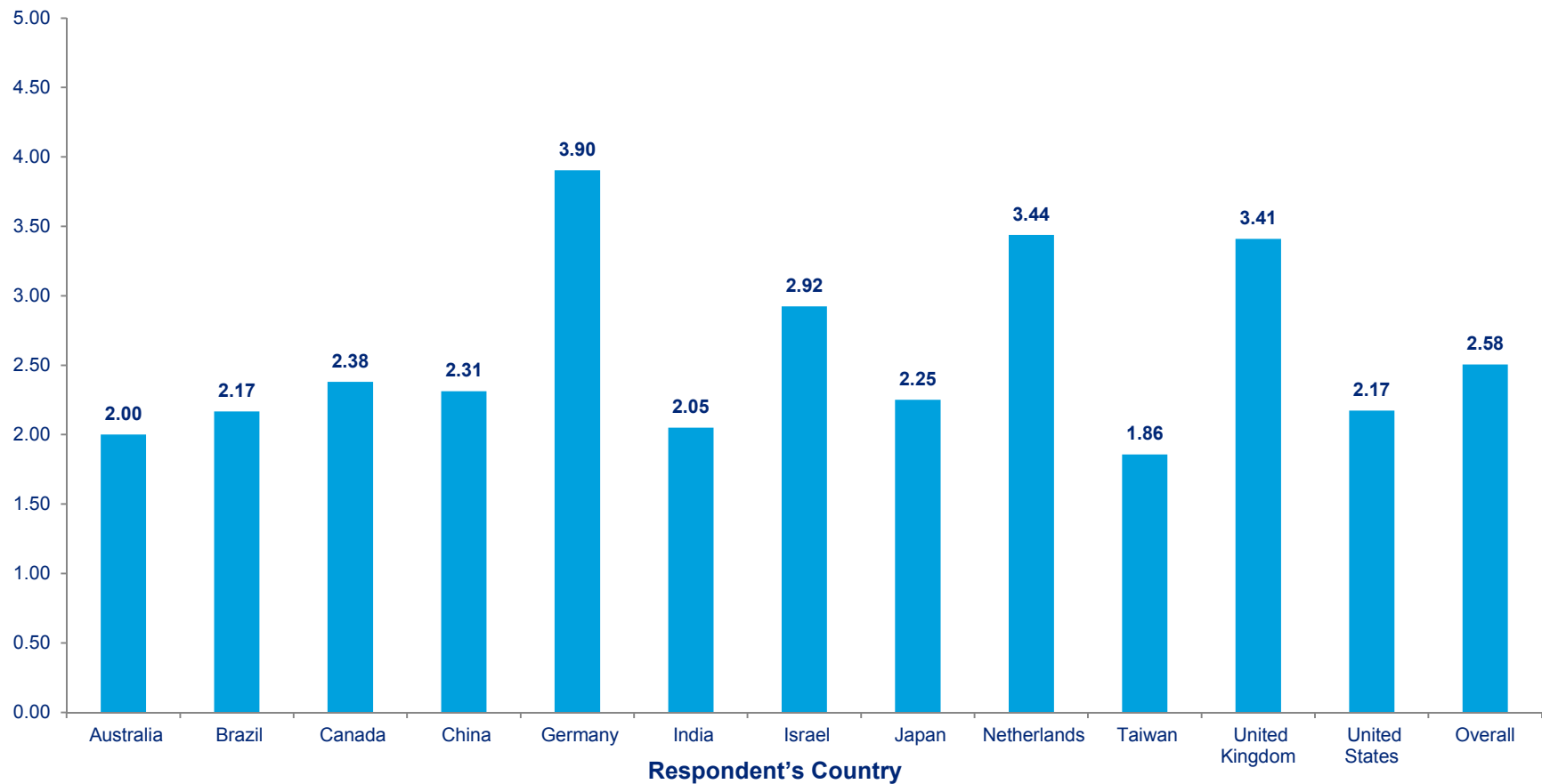
Overall confidence in investing in Latin America



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Regional investing

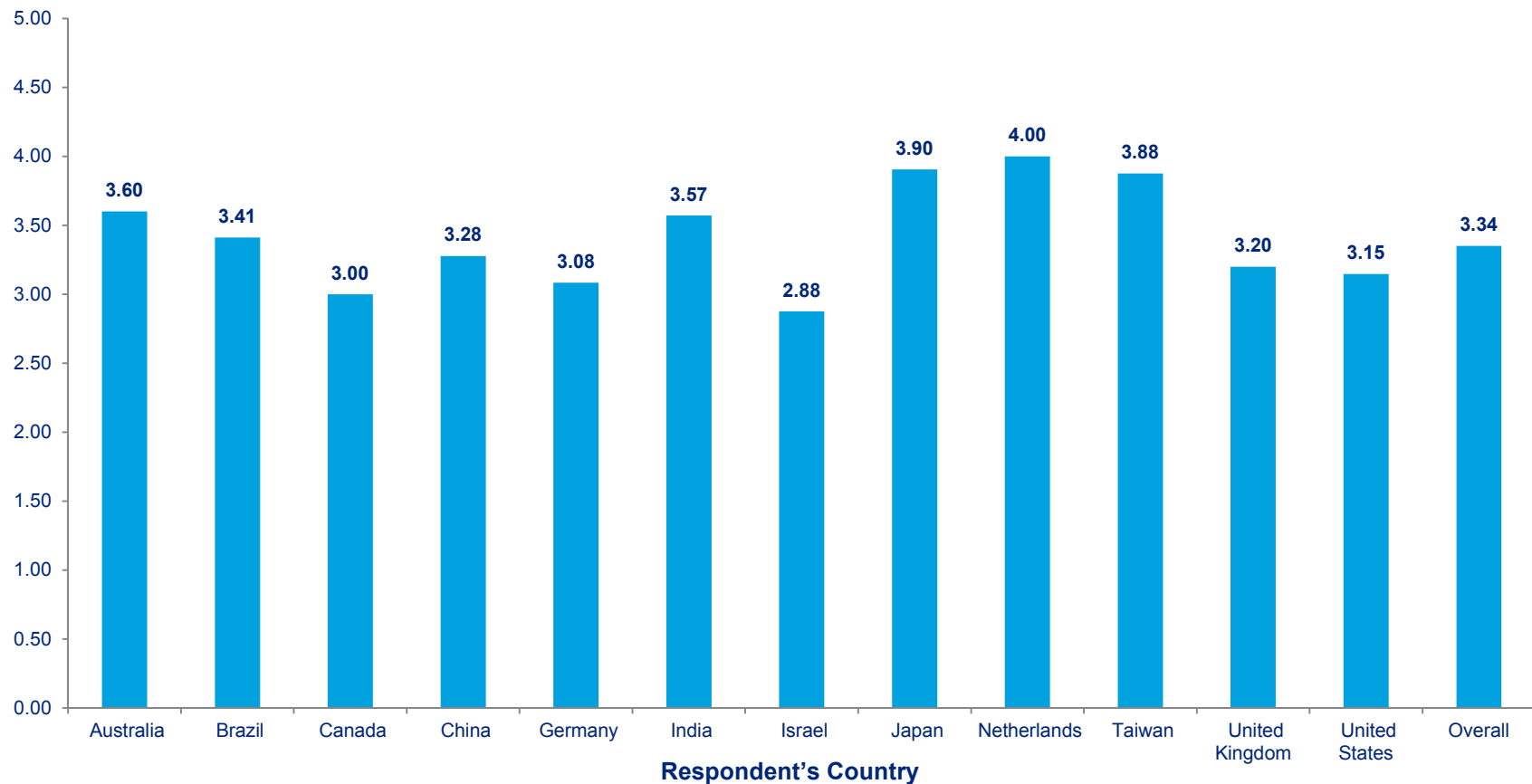
Overall confidence in investing in Europe



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Regional investing

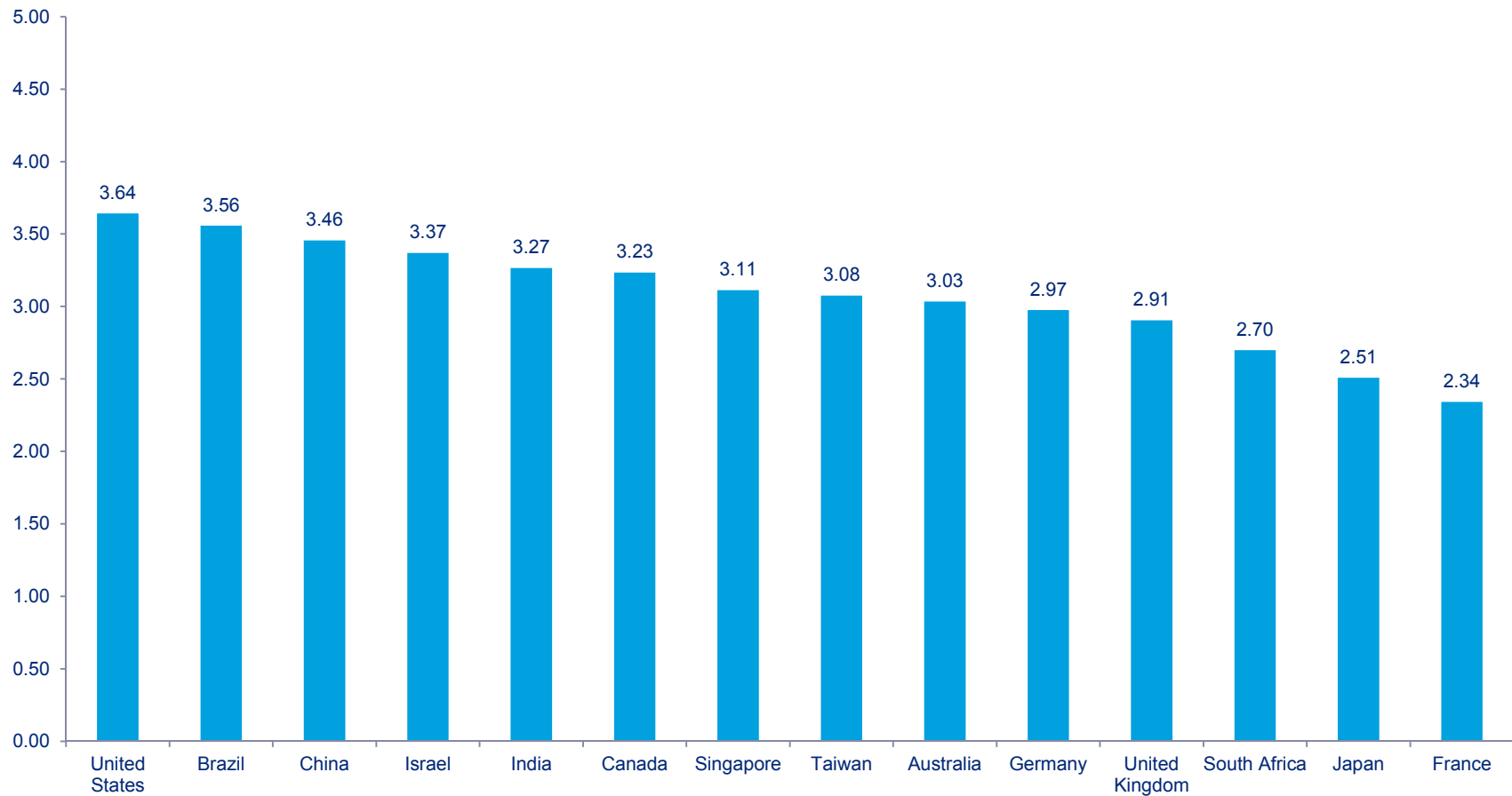
Overall confidence in investing in Southeast Asia



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Country investing

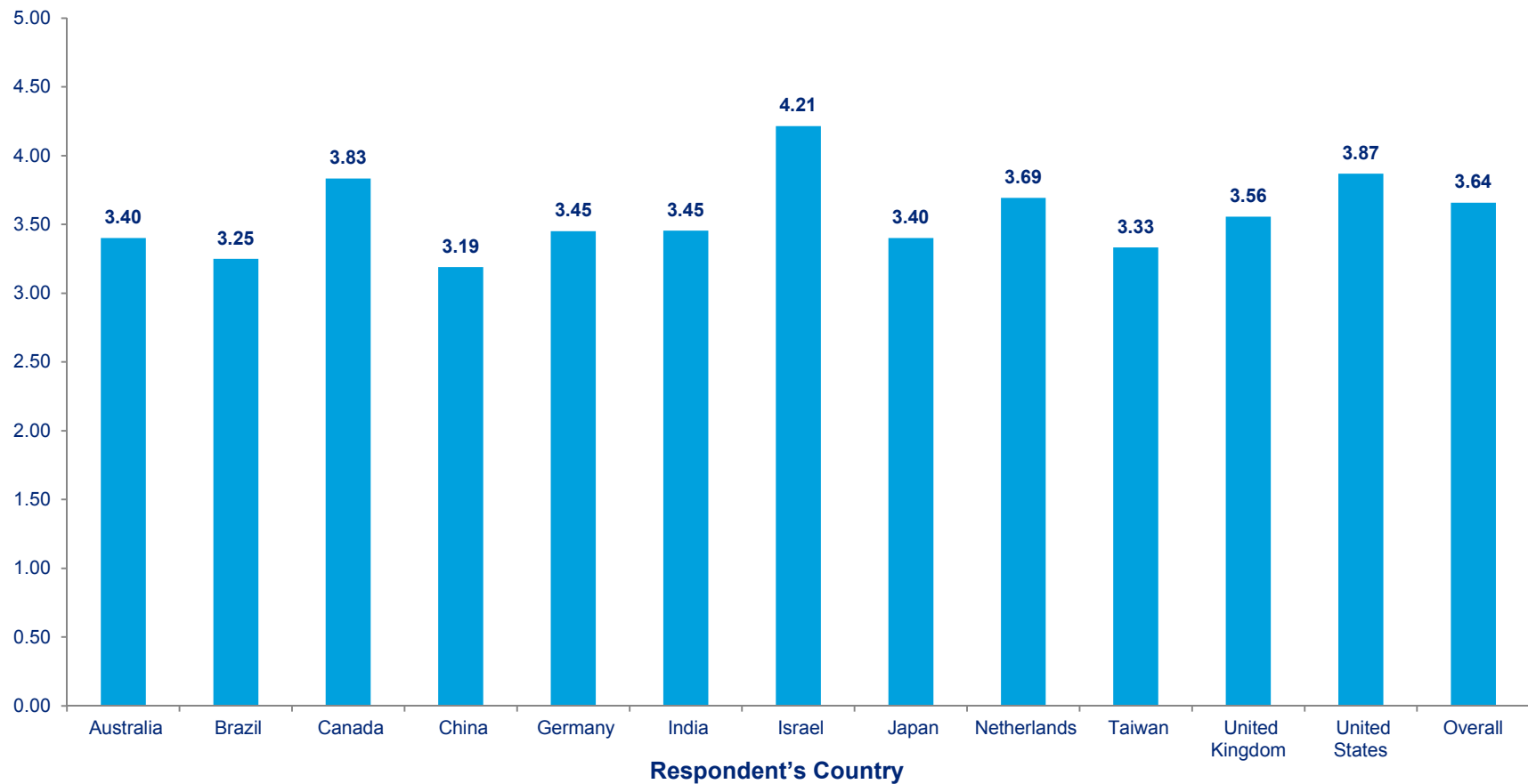
Overall confidence in investing by country



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Country investing

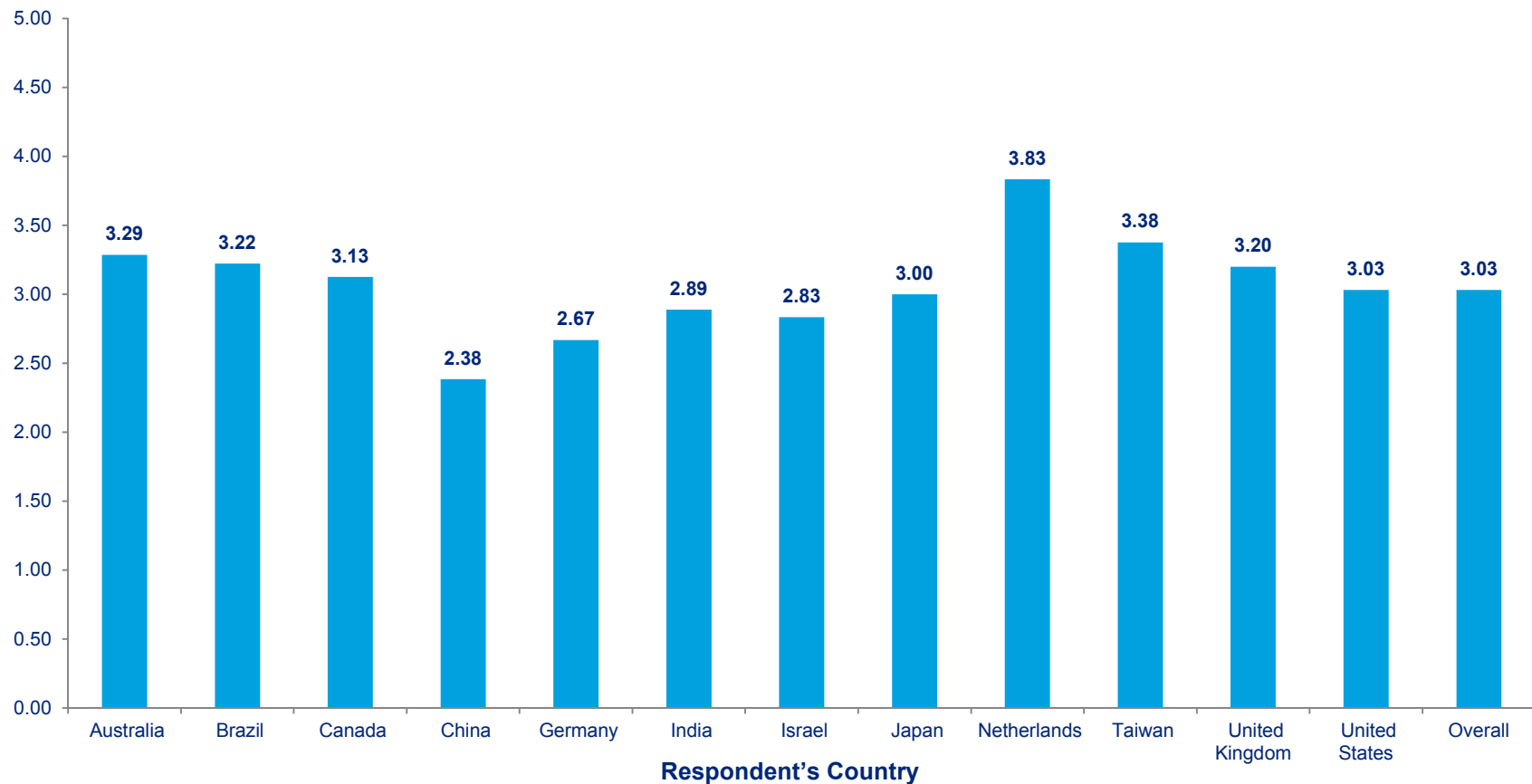
Overall confidence in investing in the United States



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Country investing

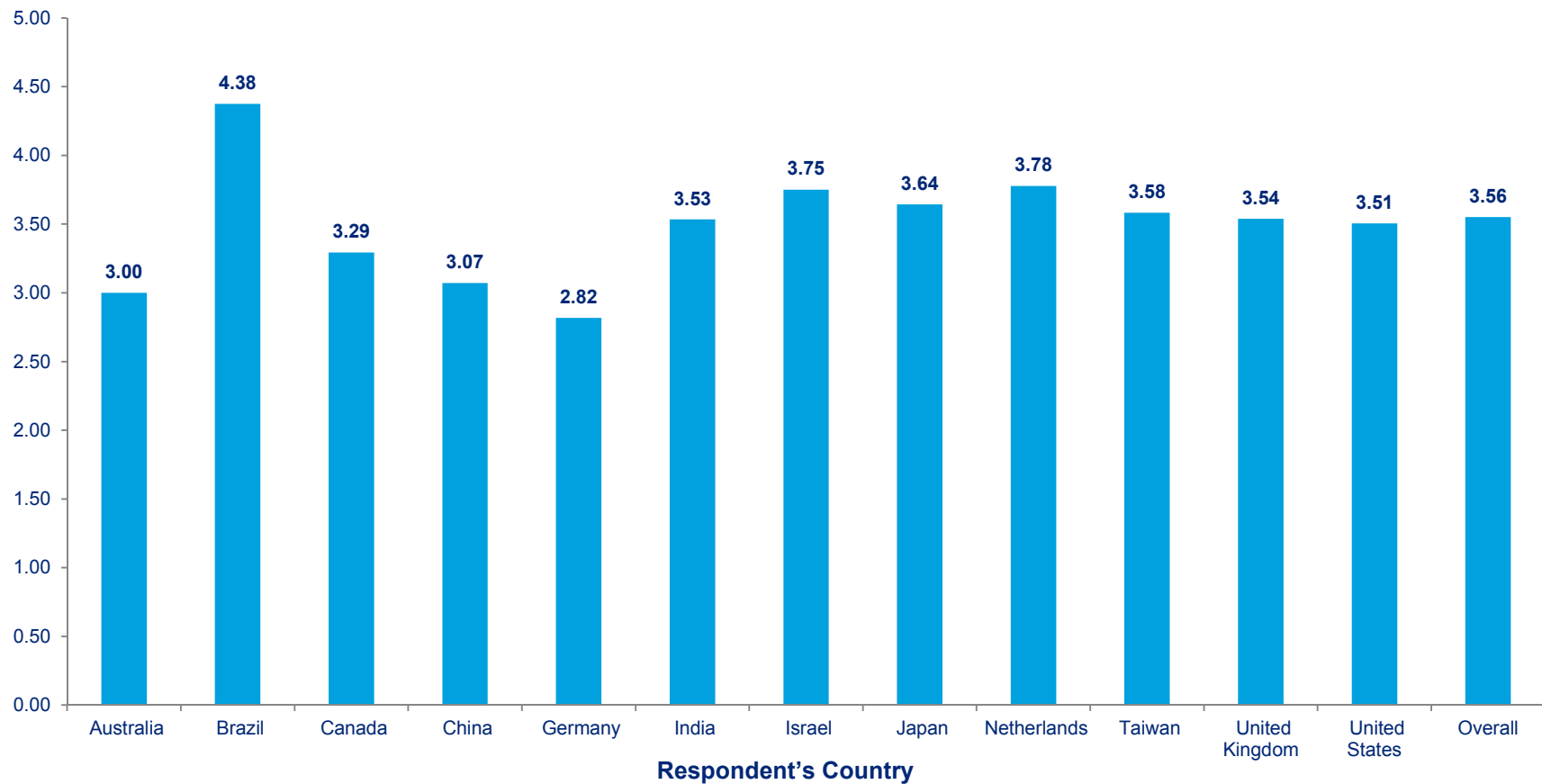
Overall confidence in investing in Australia



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Country investing

Overall confidence in investing in Brazil



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Country investing

Overall confidence in investing in Canada



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Country investing

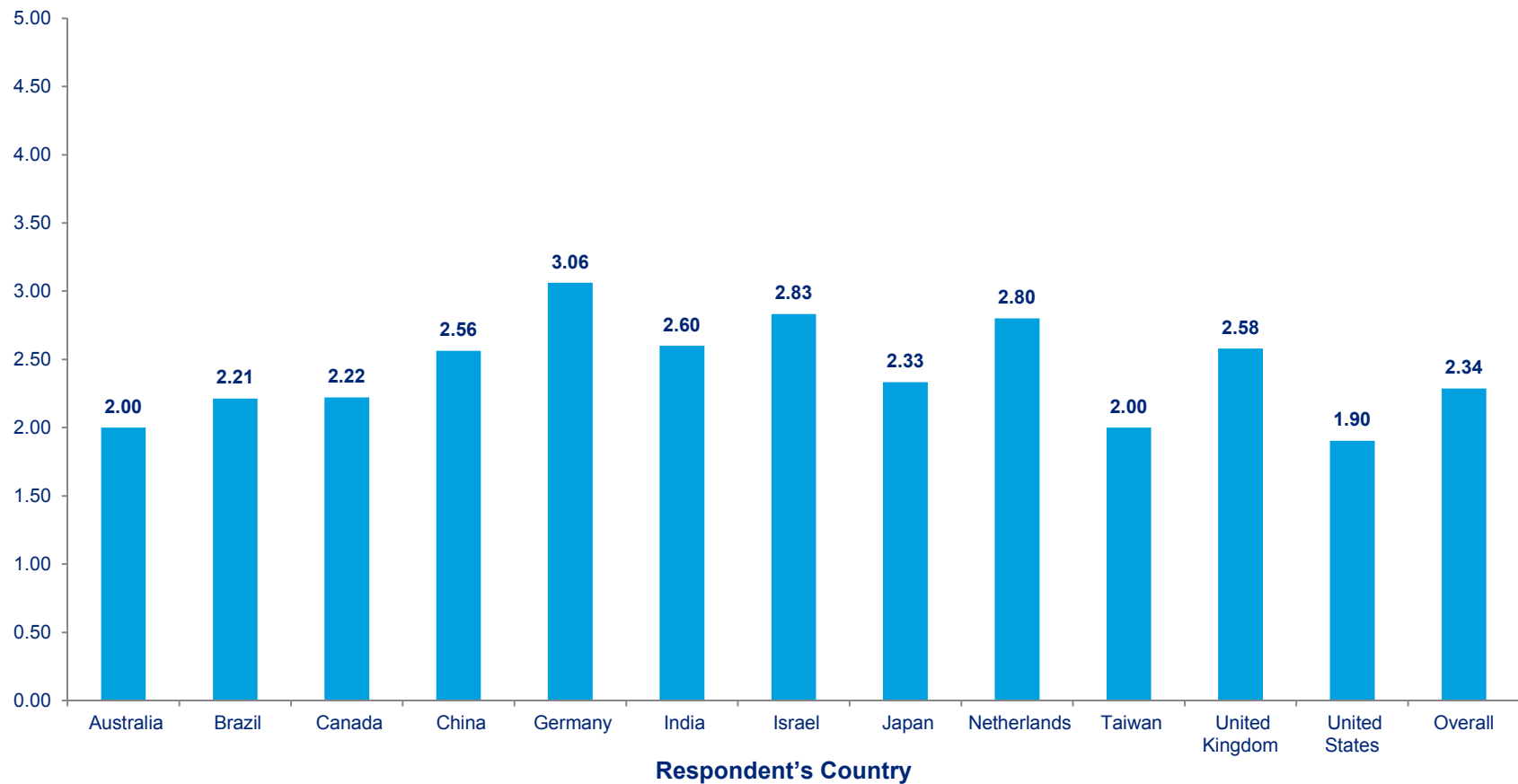
Overall confidence in investing in China



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Country investing

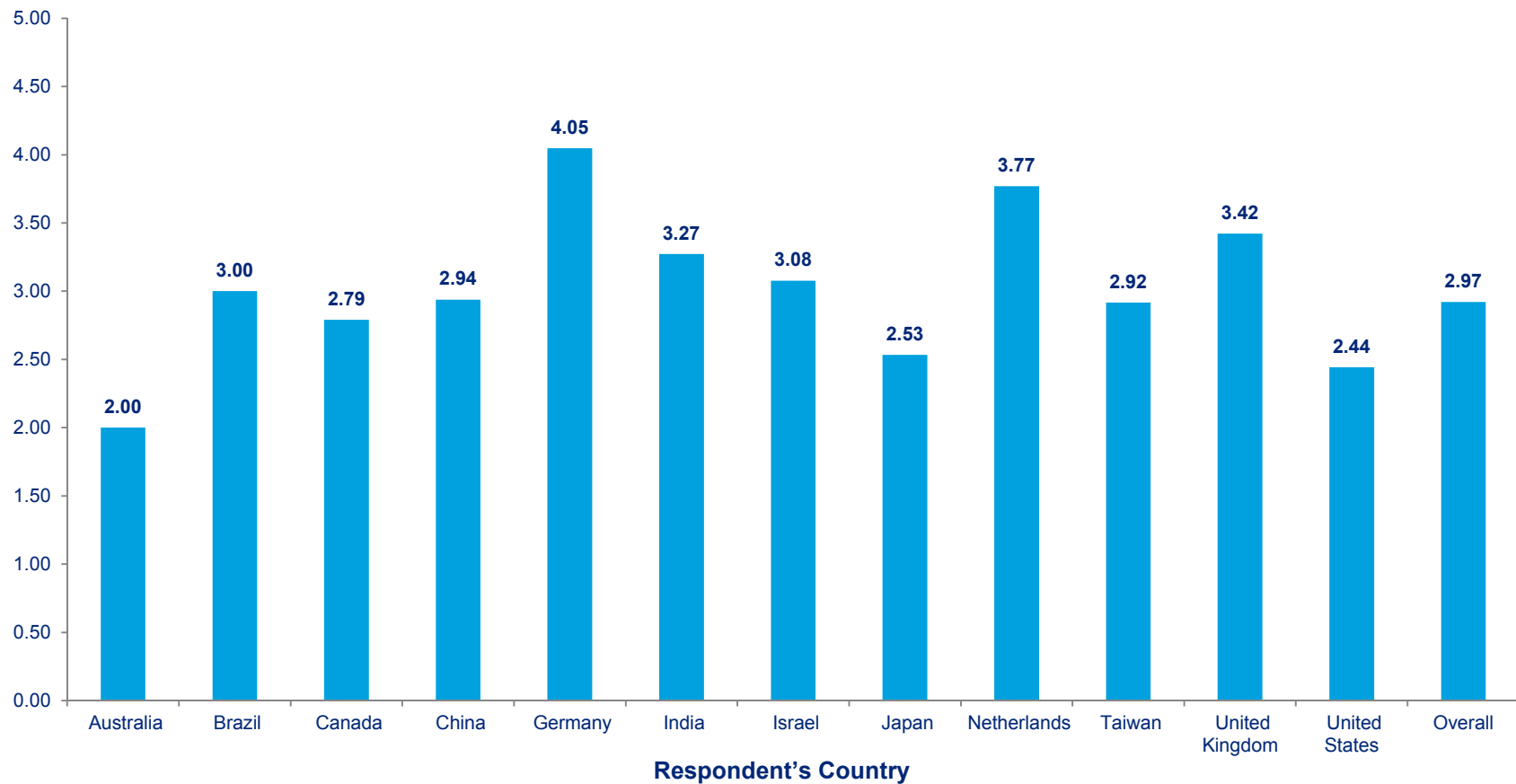
Overall confidence in investing in France



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Country investing

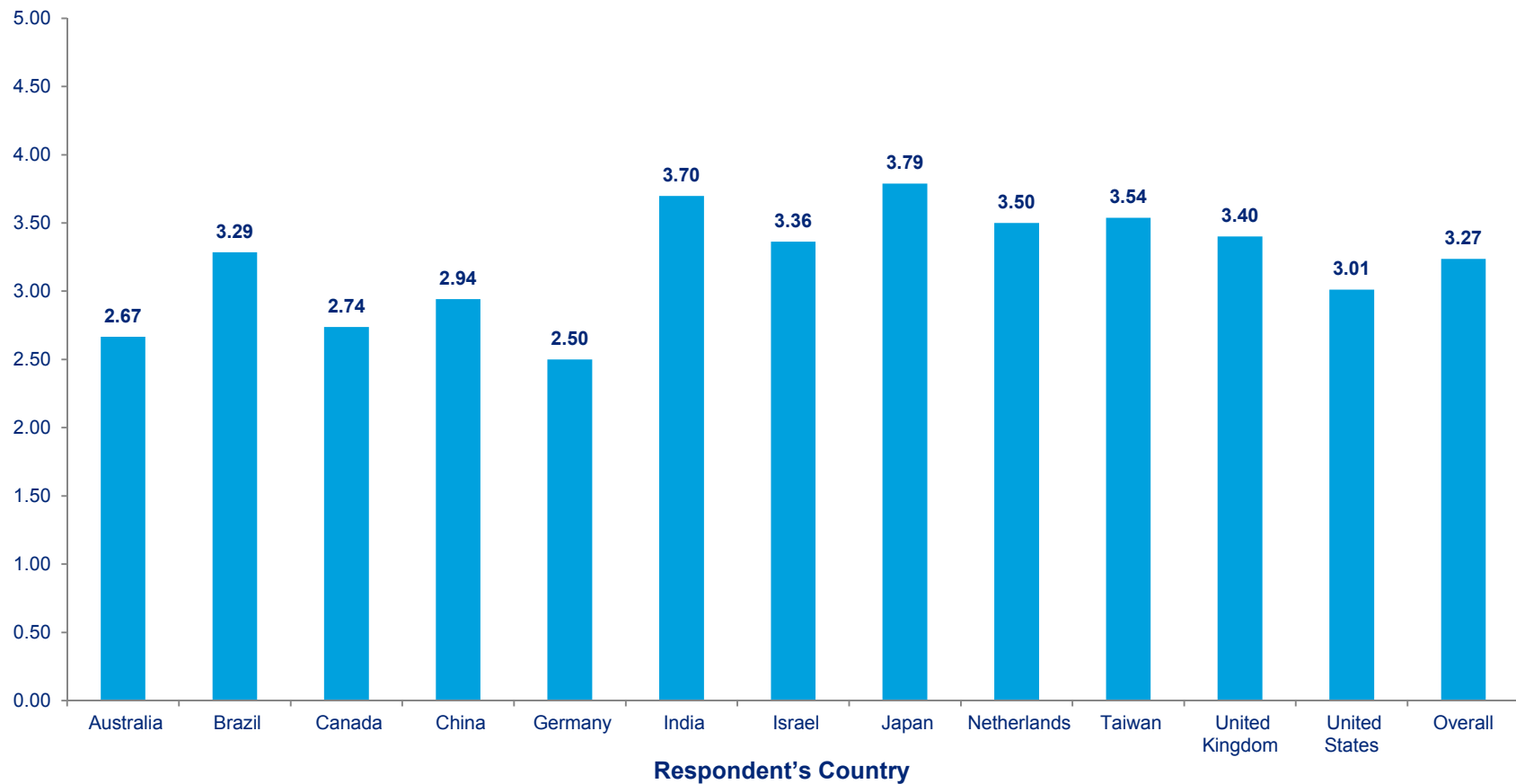
Overall confidence in investing in Germany



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Country investing

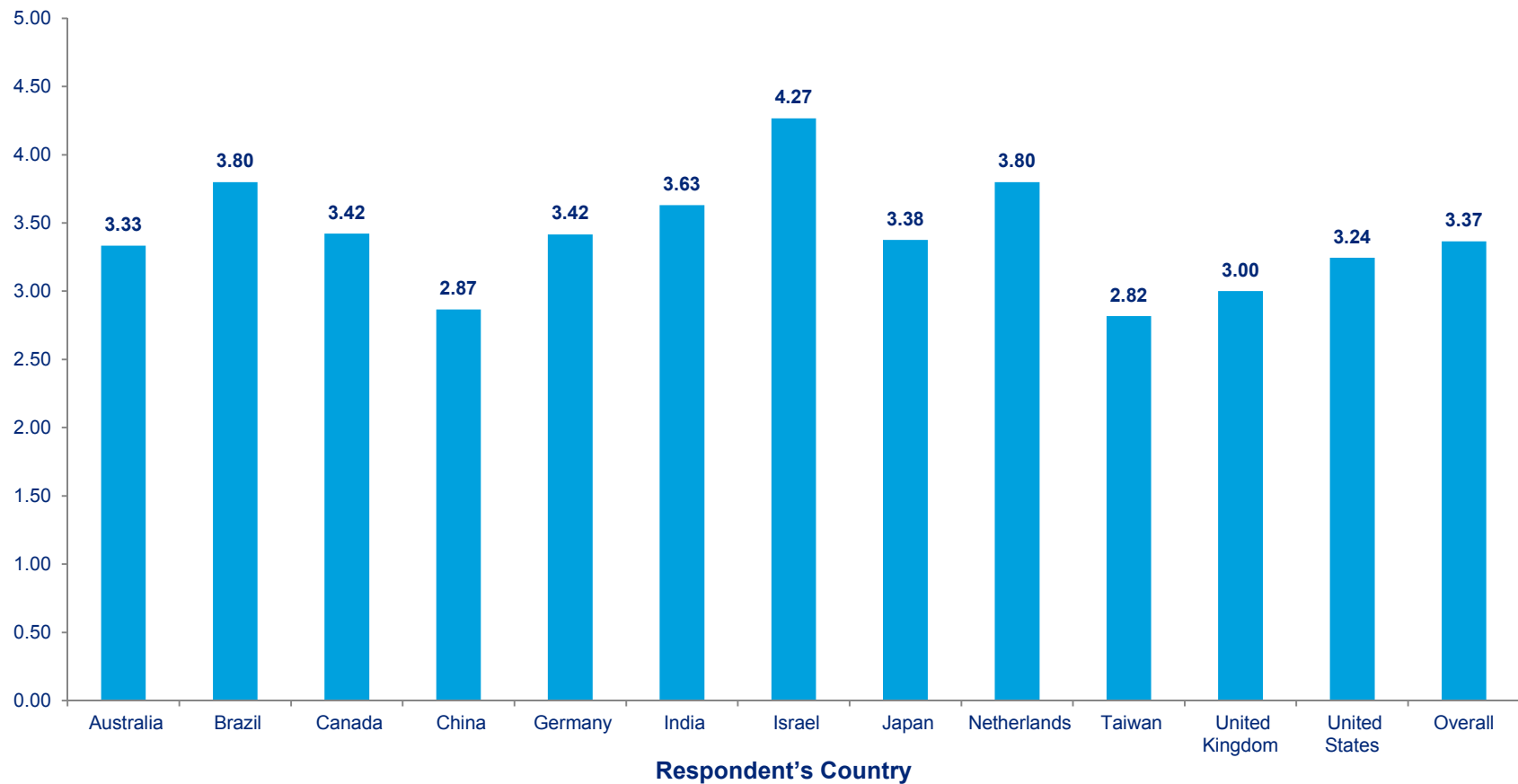
Overall confidence in investing in India



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Country investing

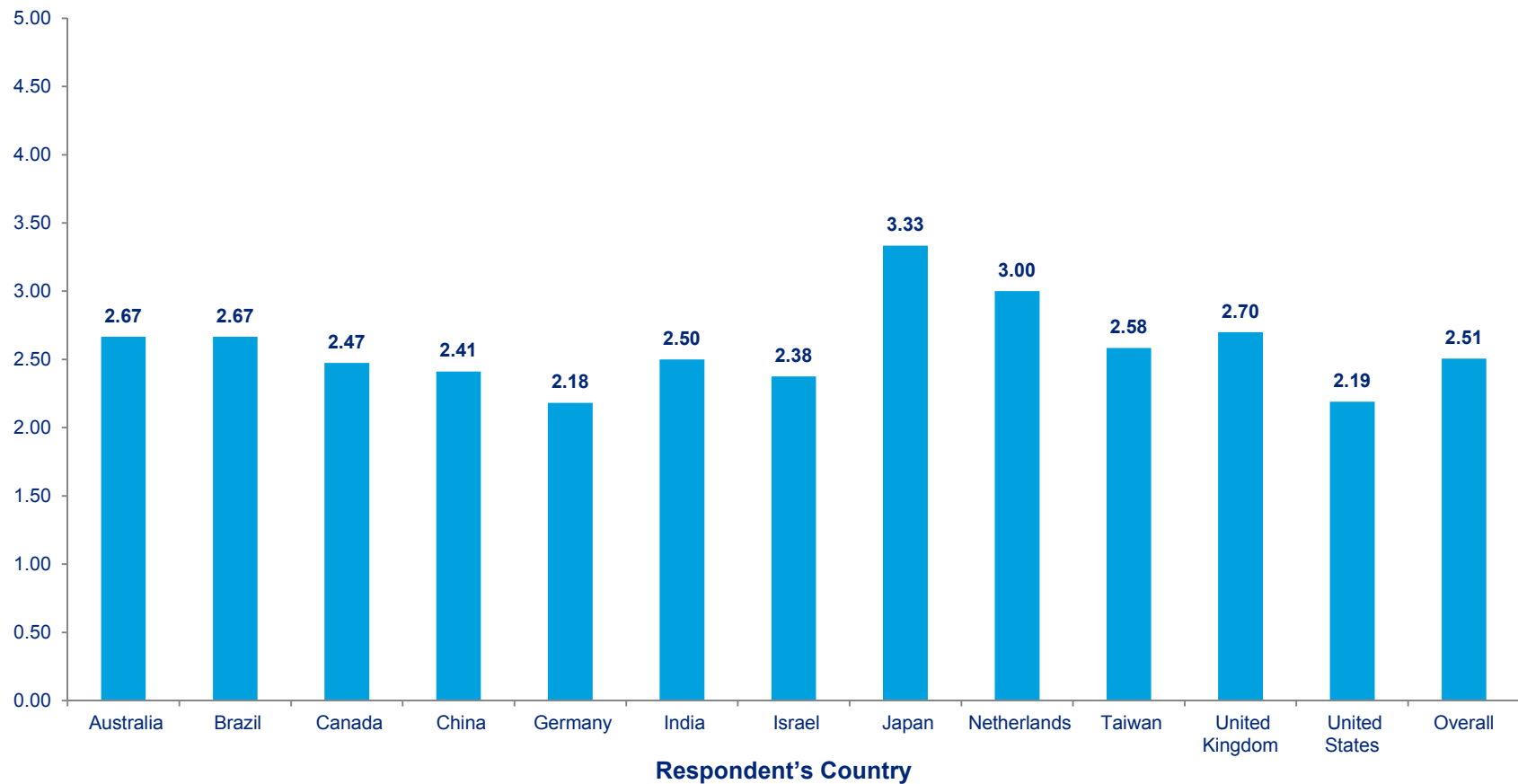
Overall confidence in investing in Israel



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Country investing

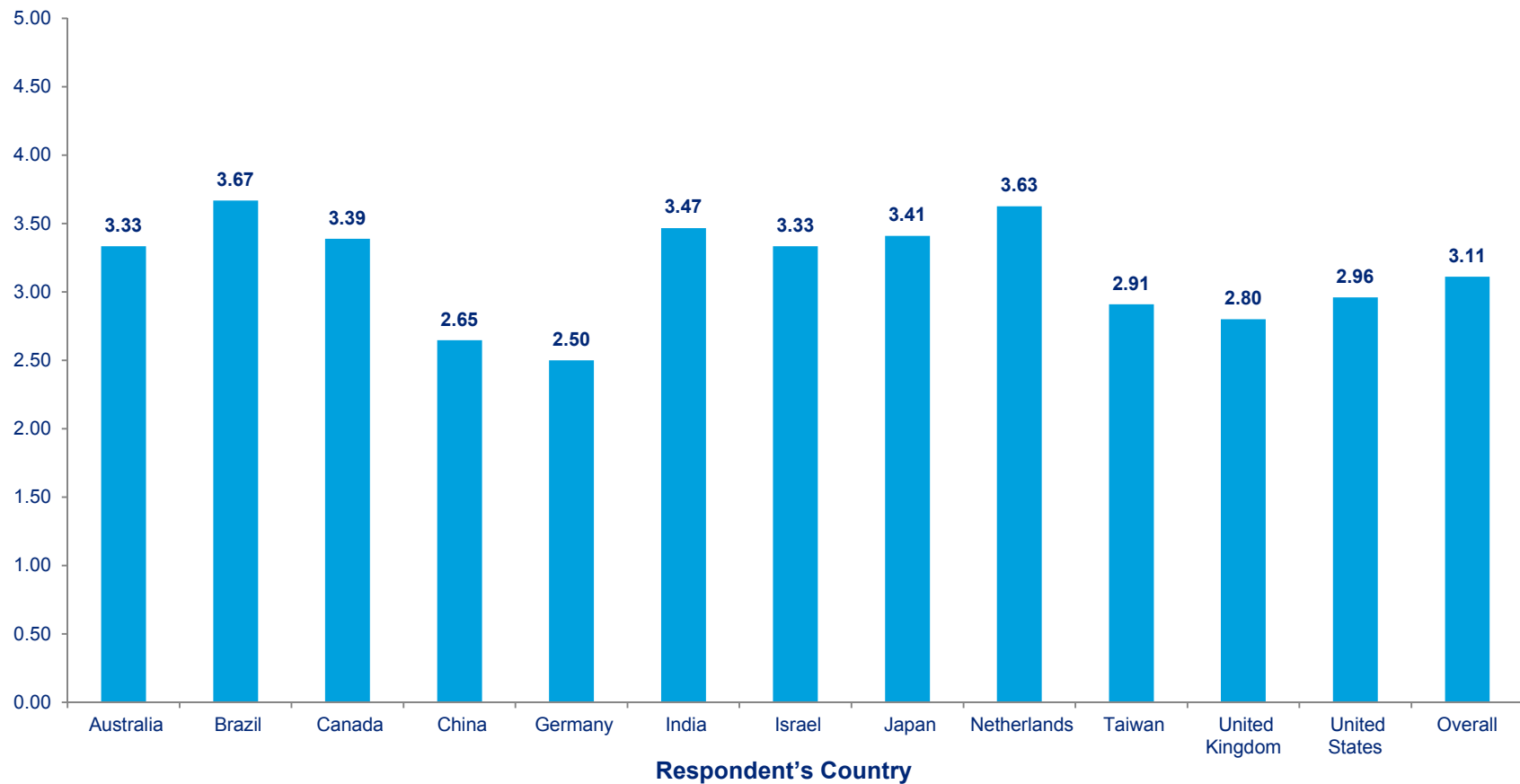
Overall confidence in investing in Japan



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Country investing

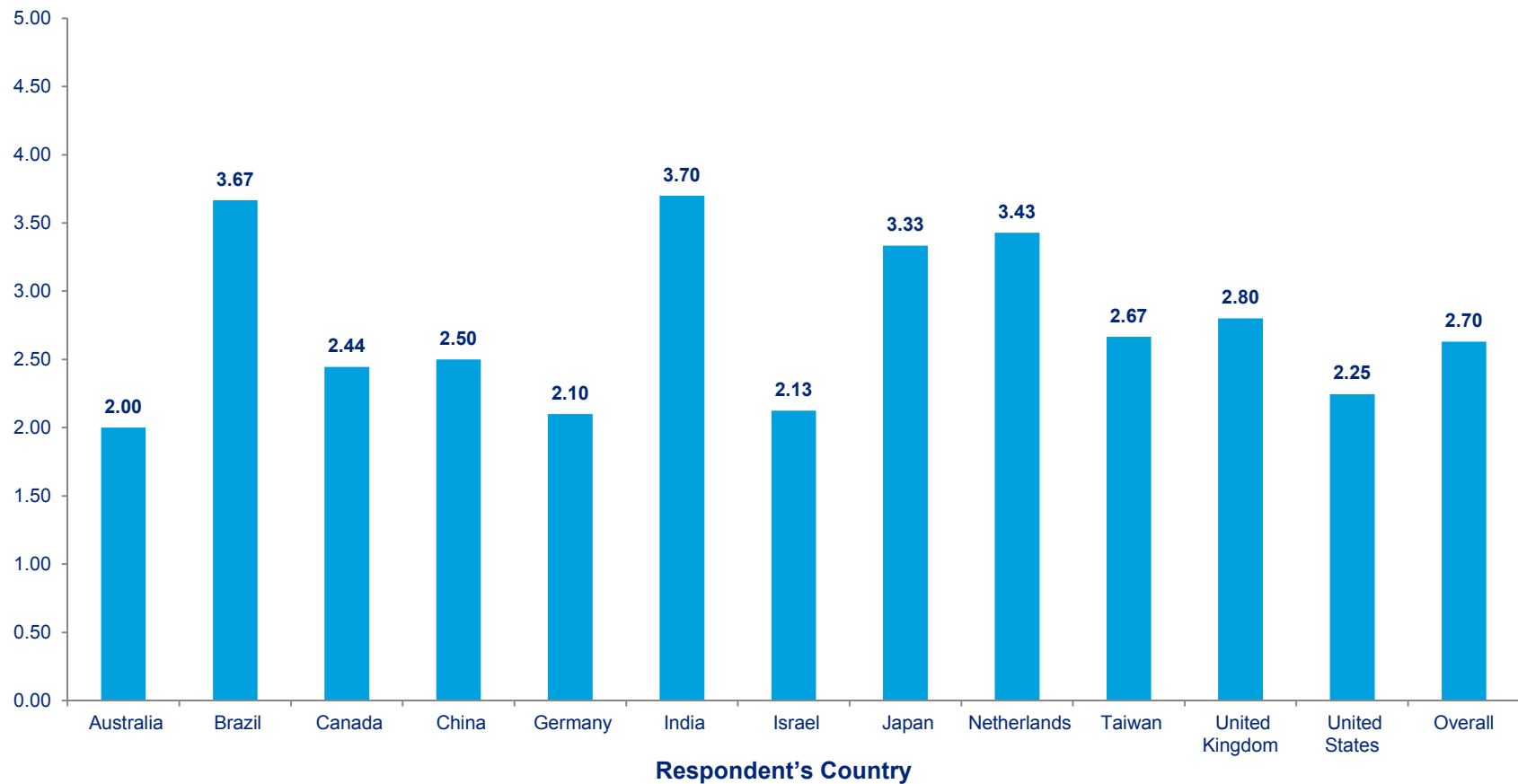
Overall confidence in investing in Singapore



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Country investing

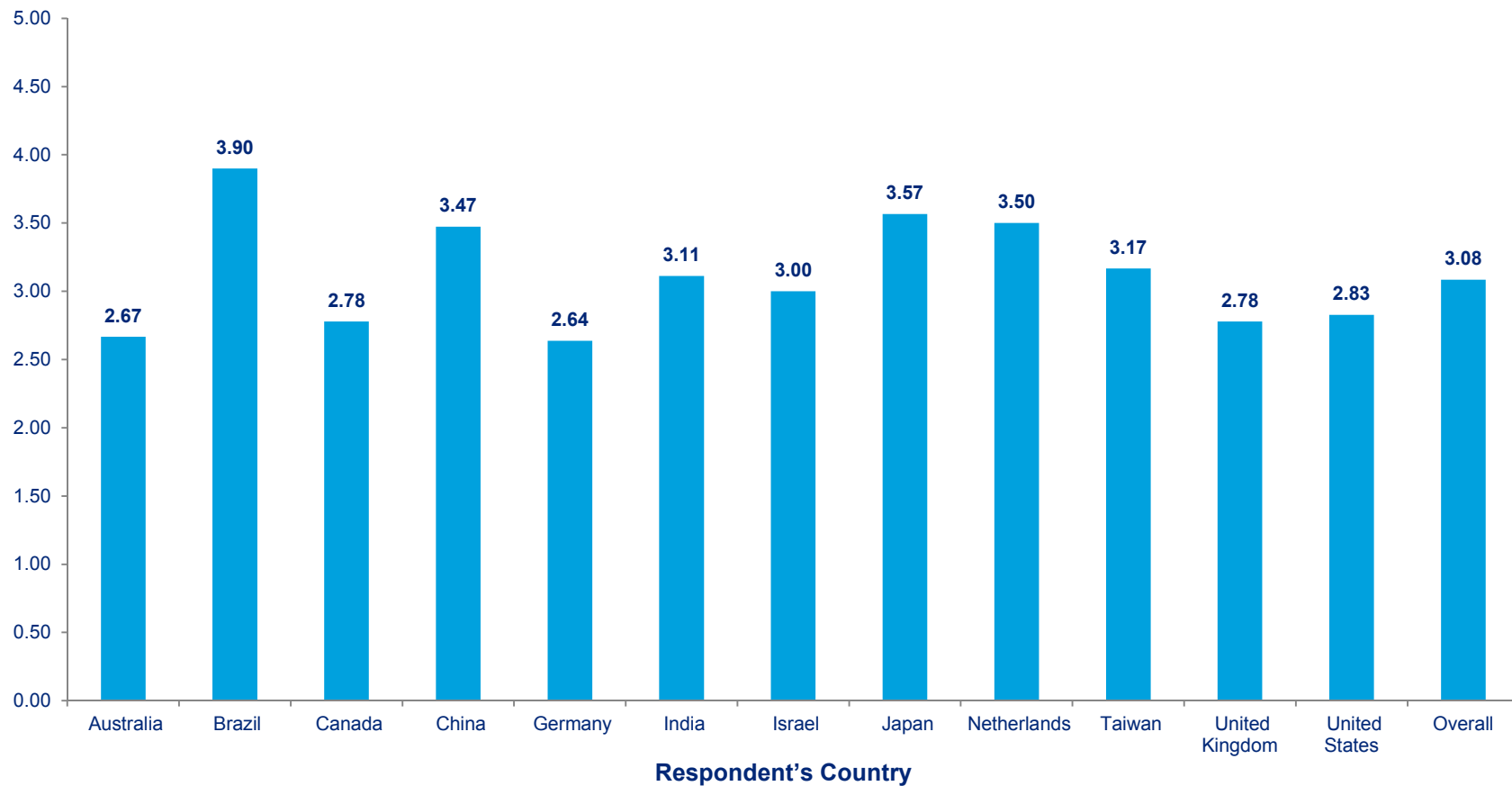
Overall confidence in investing in South Africa



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Country investing

Overall confidence in investing in Taiwan



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Country investing

Overall confidence in investing in United Kingdom

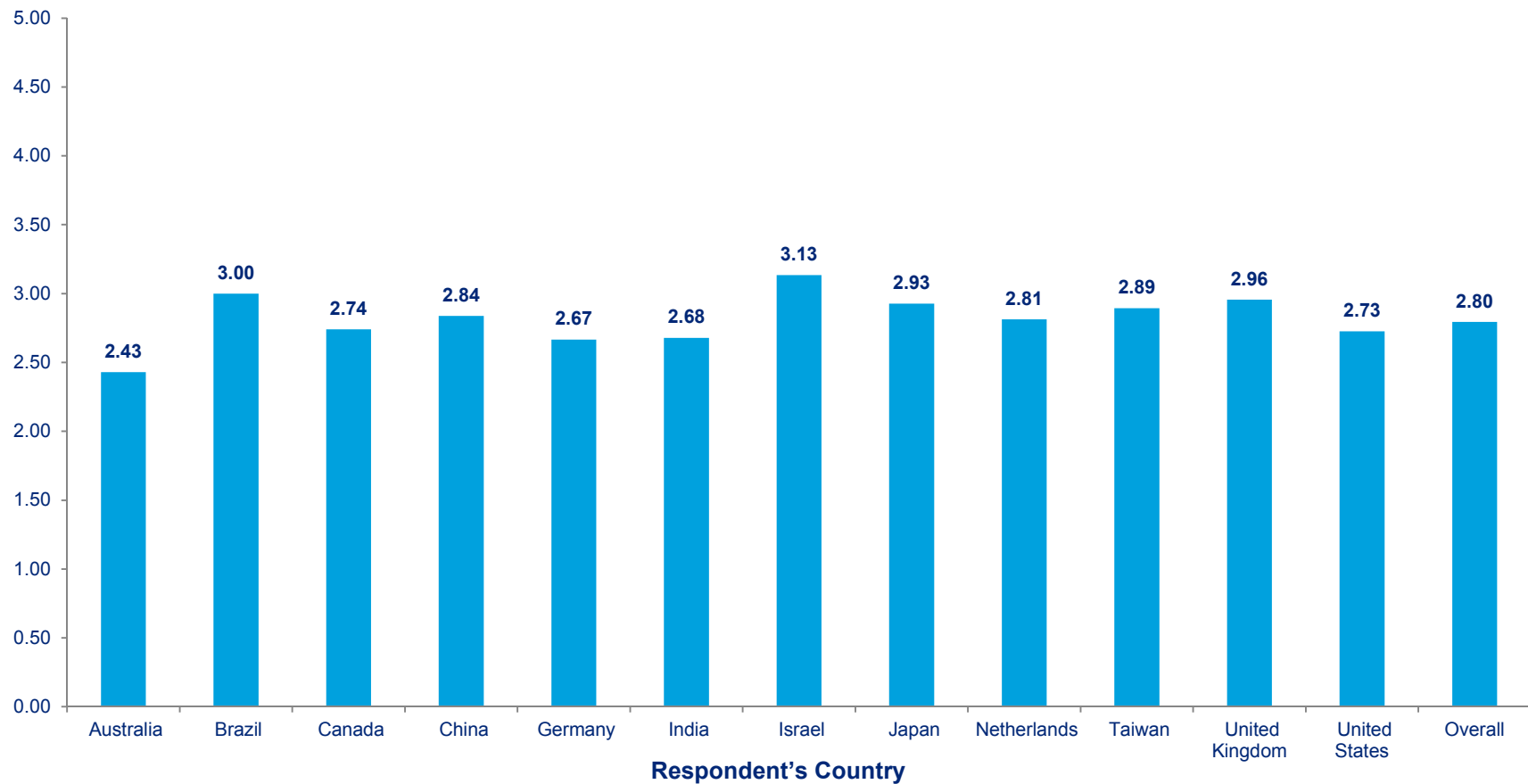


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Capital market trends

Capital markets

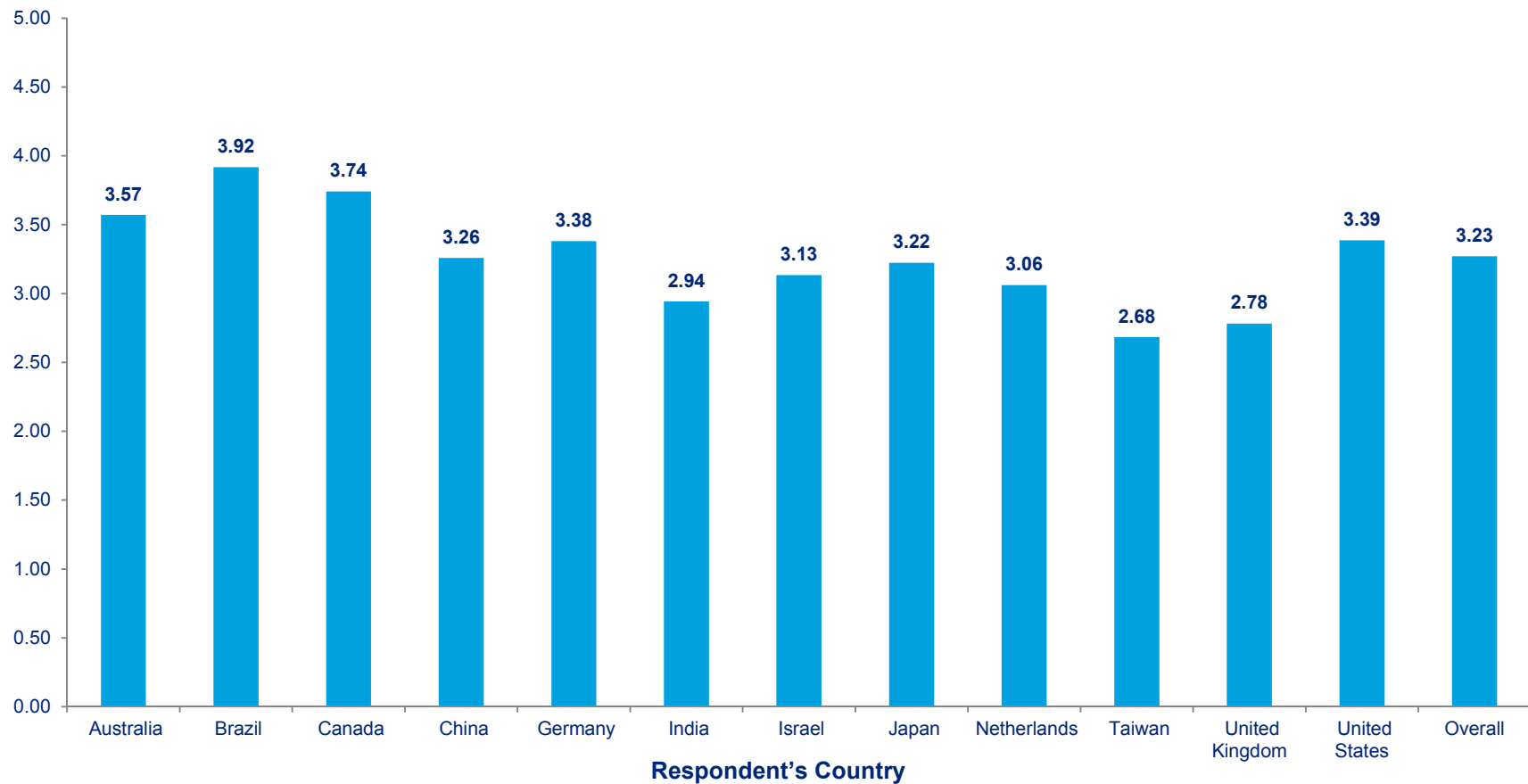
Overall confidence in the global capital markets system over the next year



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Capital markets

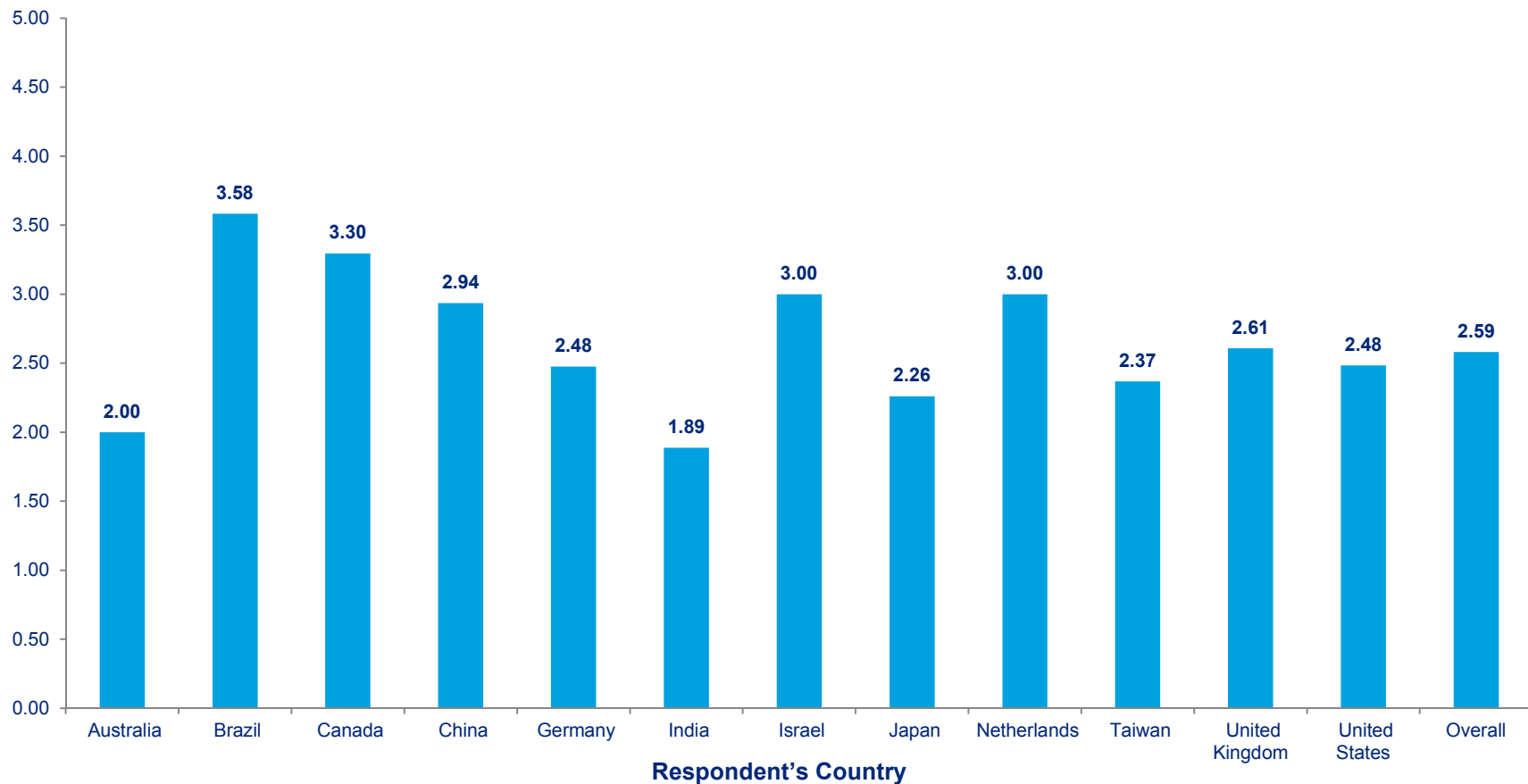
Overall confidence in my home country's capital markets system over the next year



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Government policy

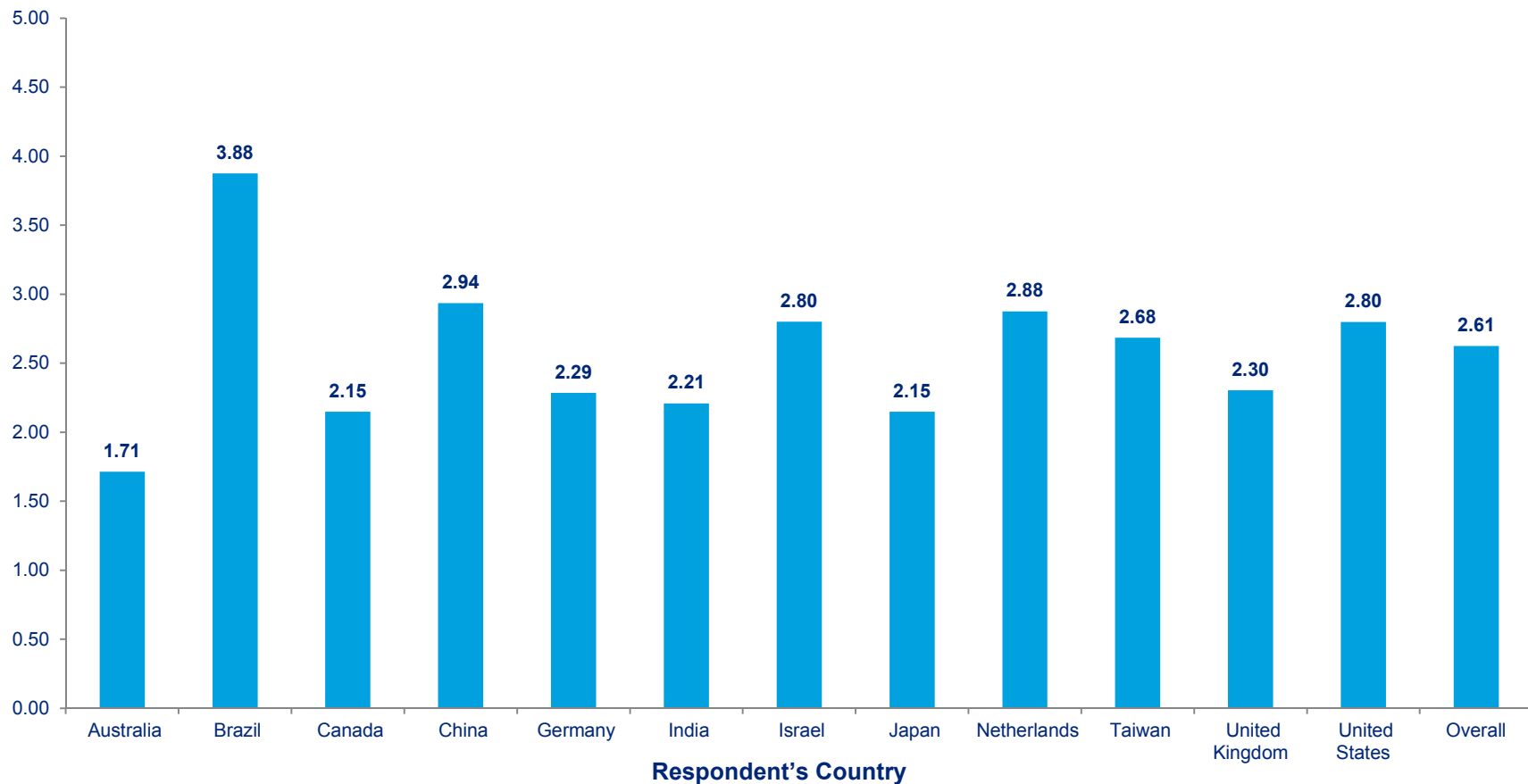
Overall confidence in my home country's ability to enact government policies that support the domestic investment in the next year



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Fundraising trends

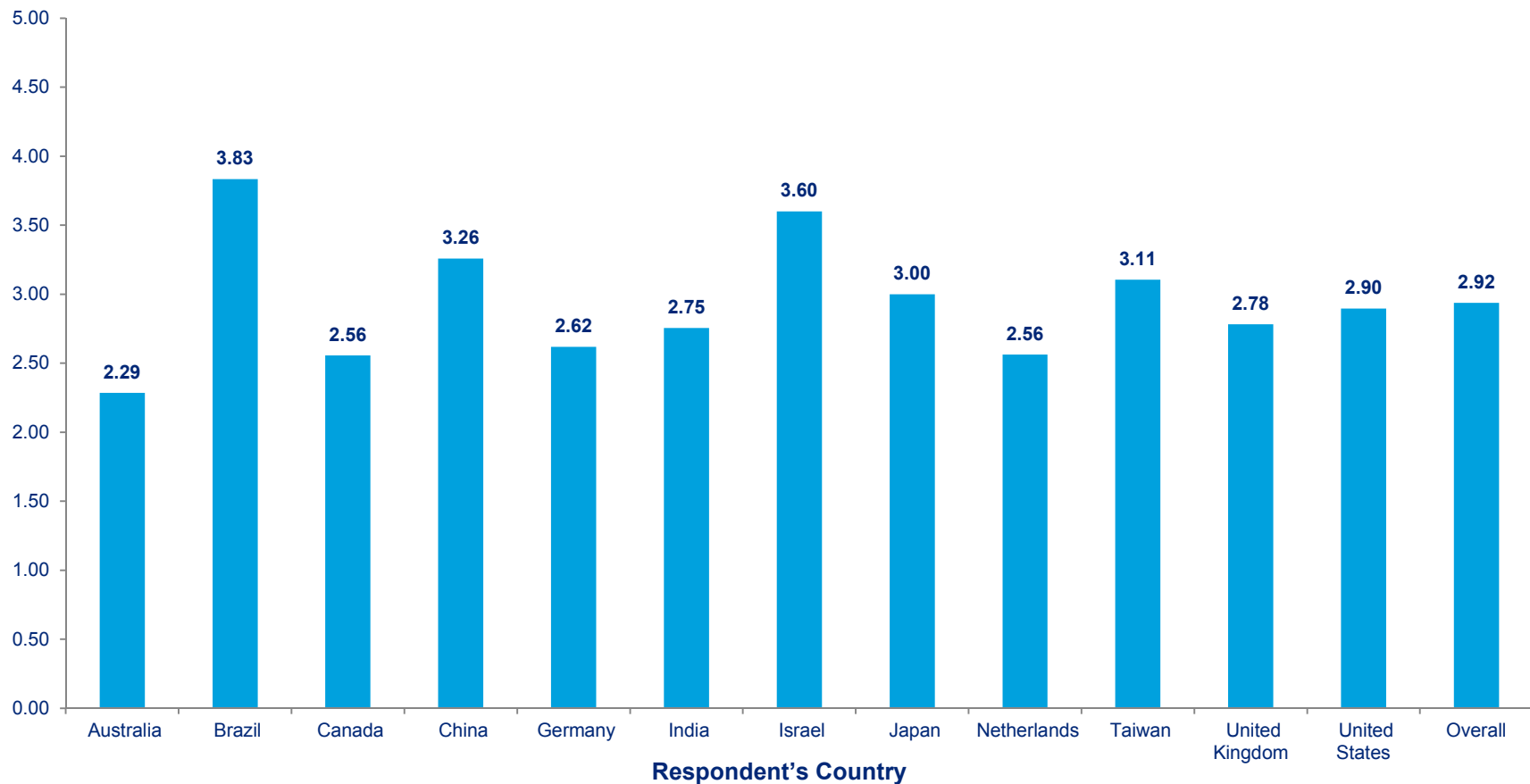
Overall confidence in the ability of the industry in my home country to raise funds from domestic Limited Partners (LPs) in the next year



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Fundraising trends

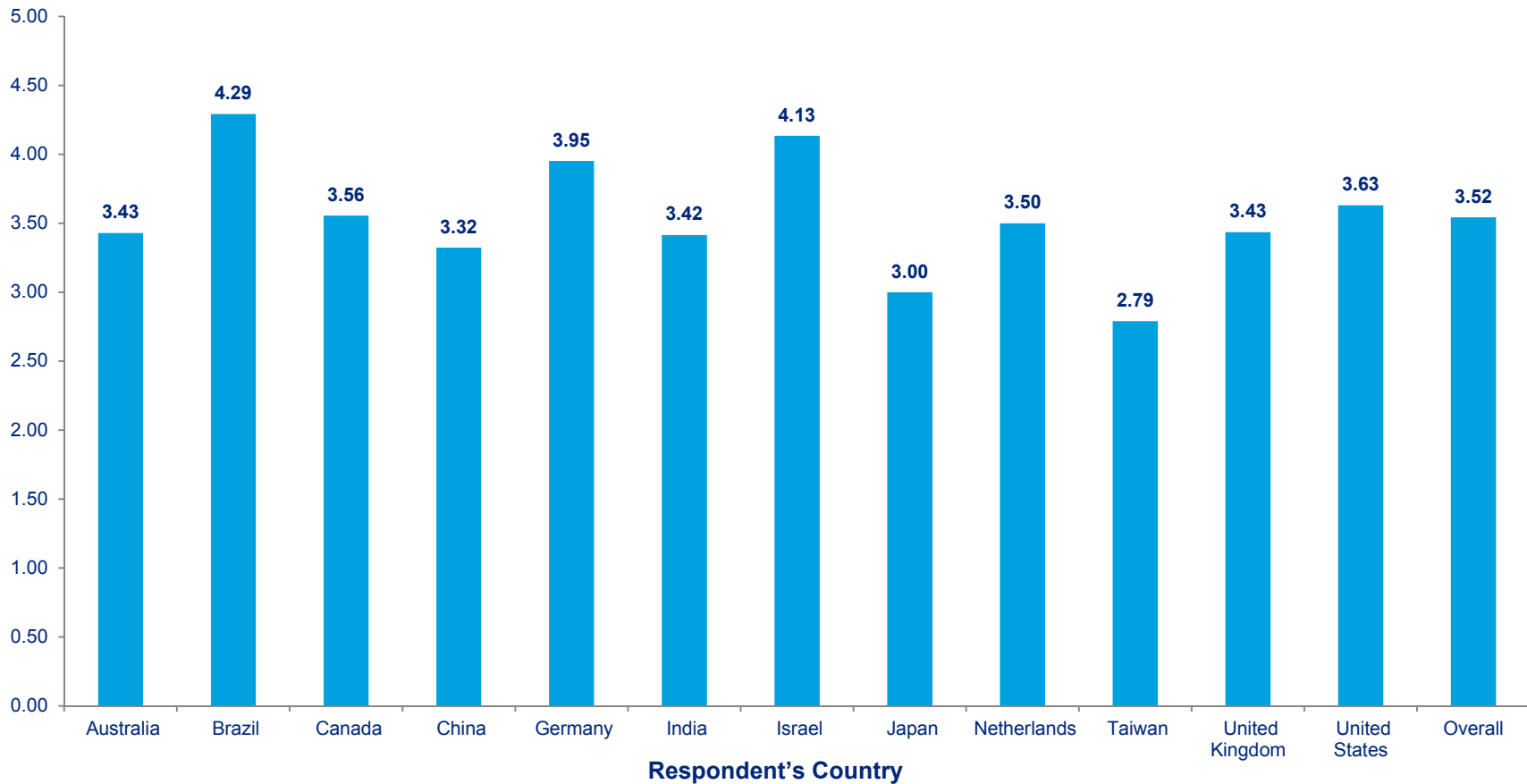
Overall confidence in the ability of the industry in my home country to raise necessary funds from LPs outside my home country in the next year



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Fundraising trends

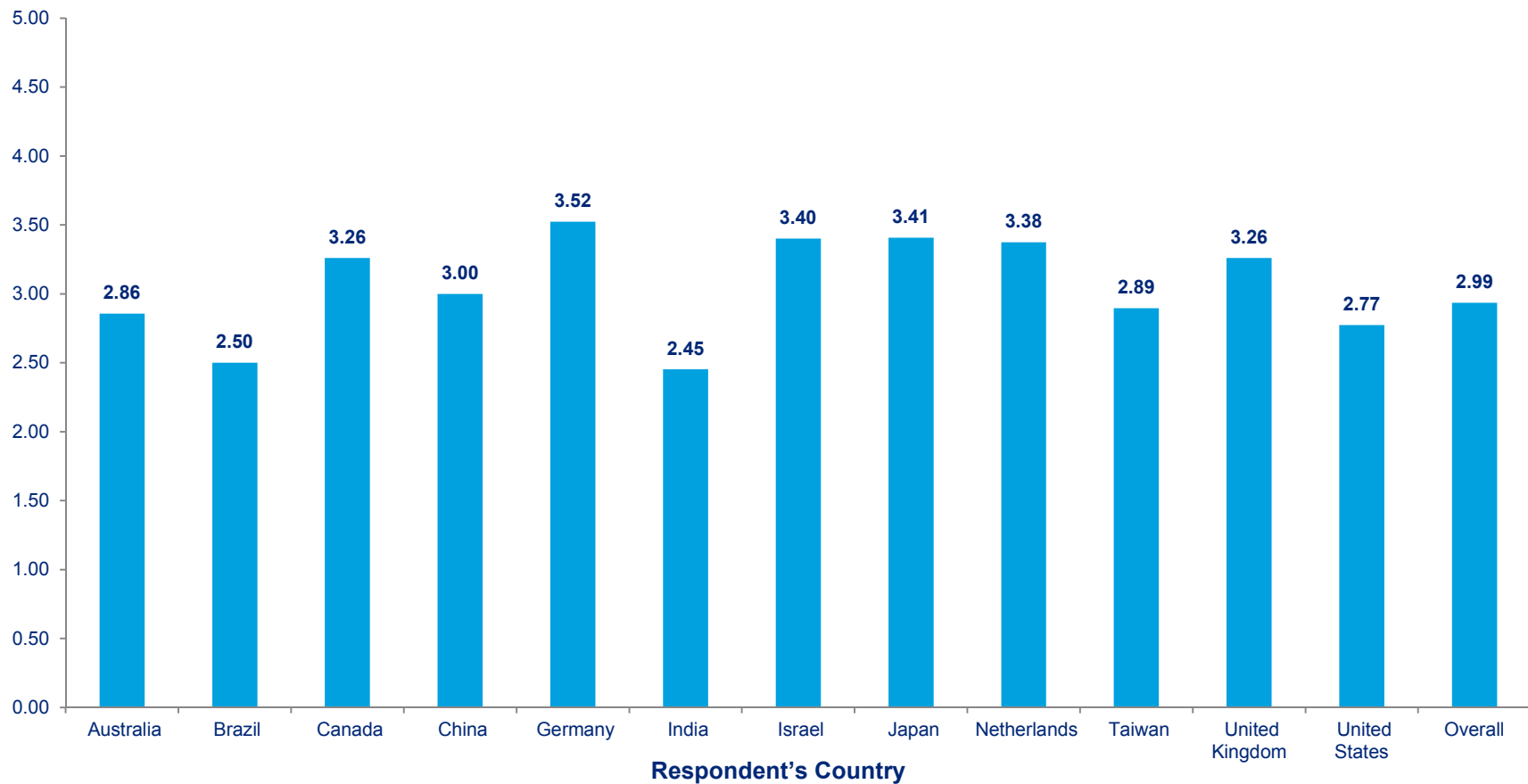
Overall confidence in investing in my home country in the next year



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Fundraising trends

Overall confidence in investing outside of my home country in the next year

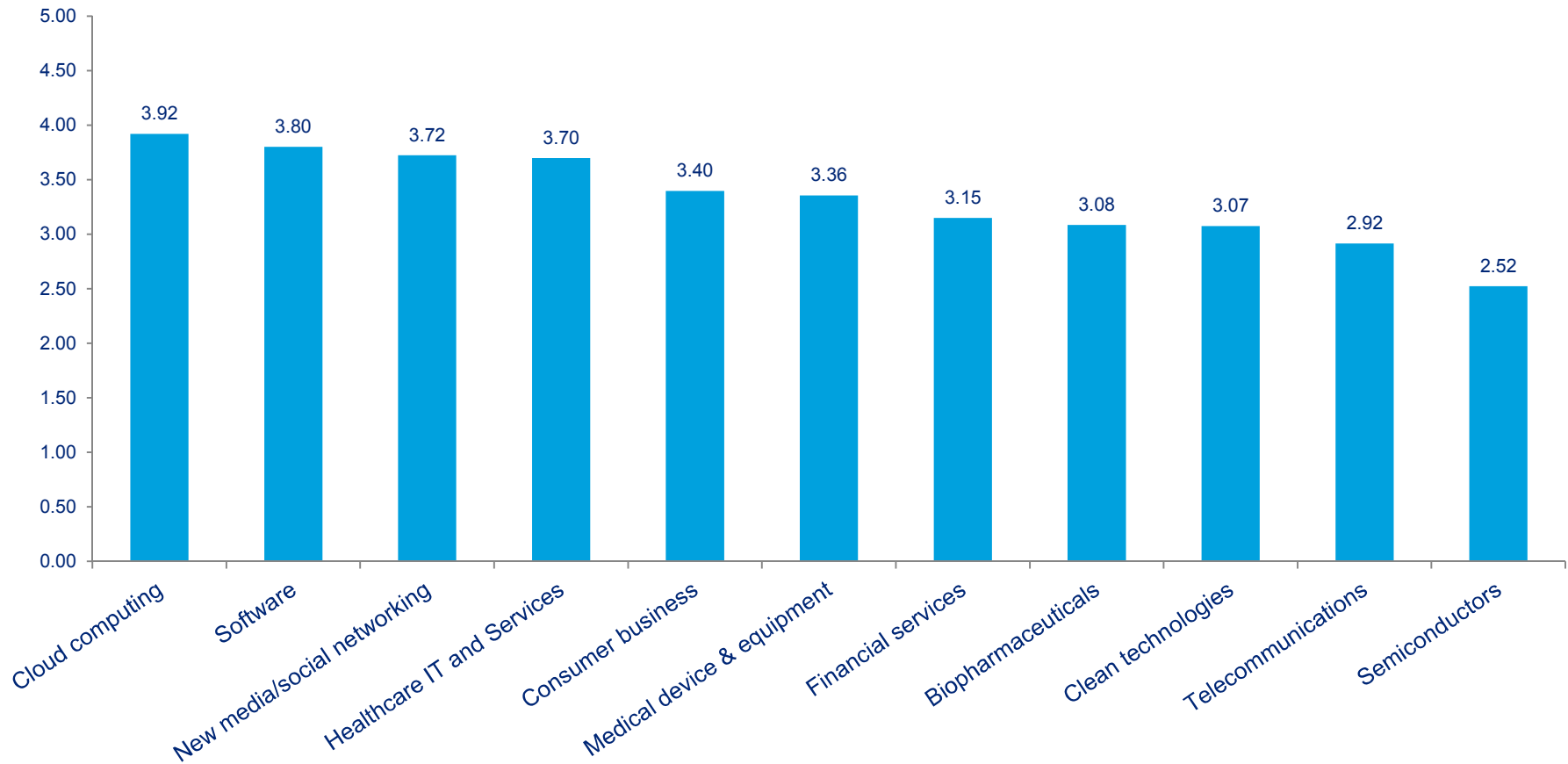


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Industry investing

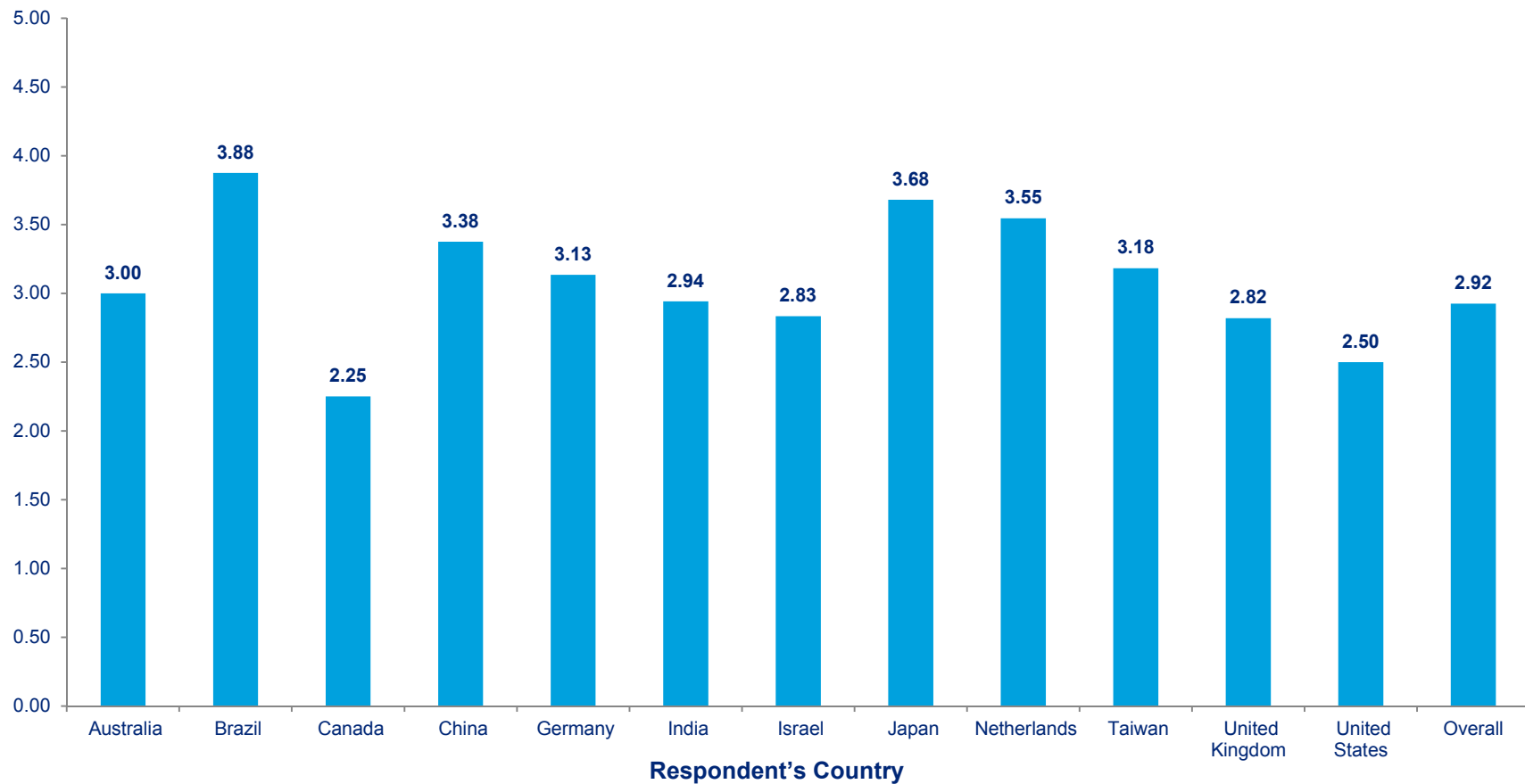
Industry investing

Overall confidence in Venture Capital (VC) investing by sector



Industry investing

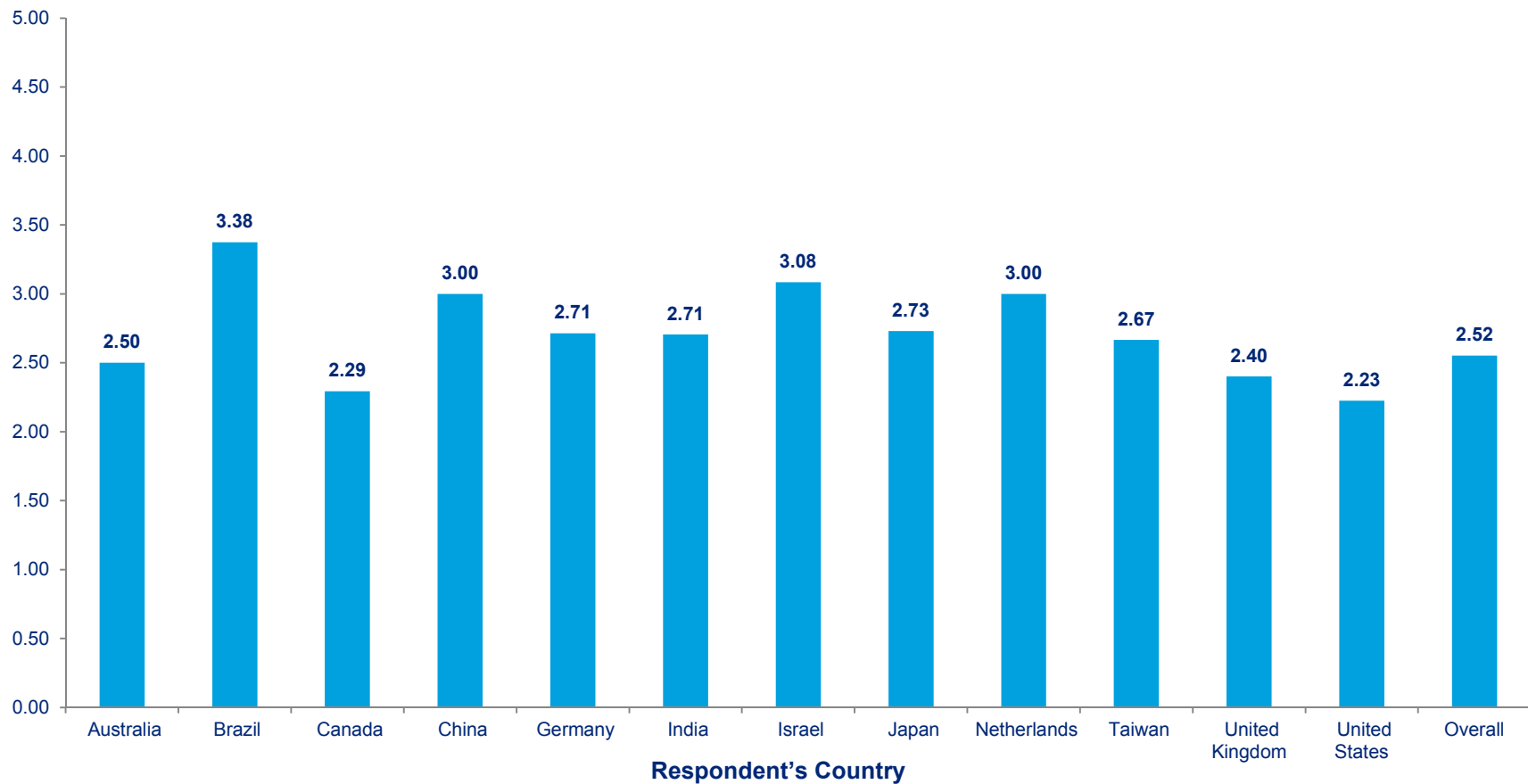
Overall confidence in VC investing in the Telecommunications sector



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Industry investing

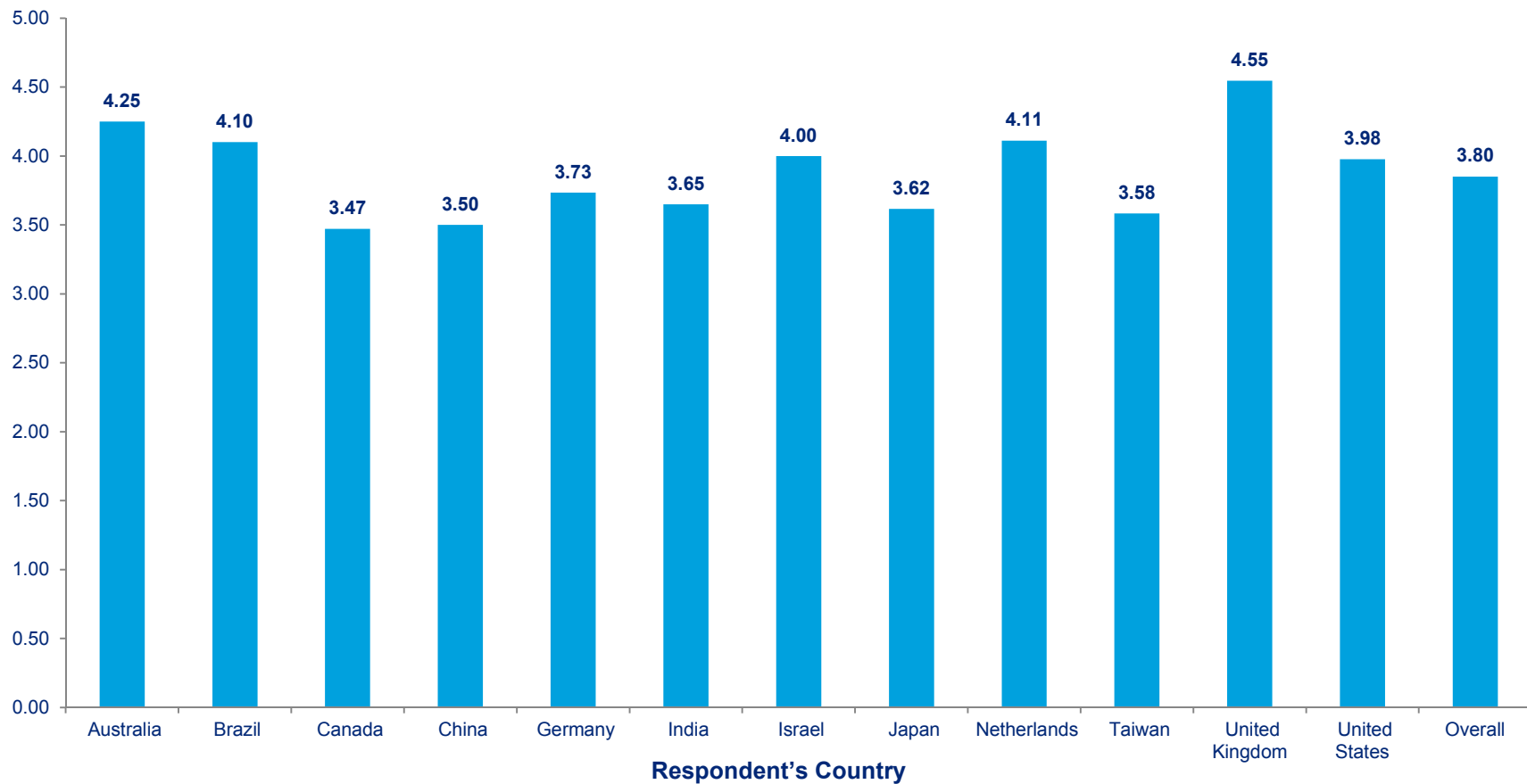
Overall confidence in VC investing in the Semiconductor sector



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Industry investing

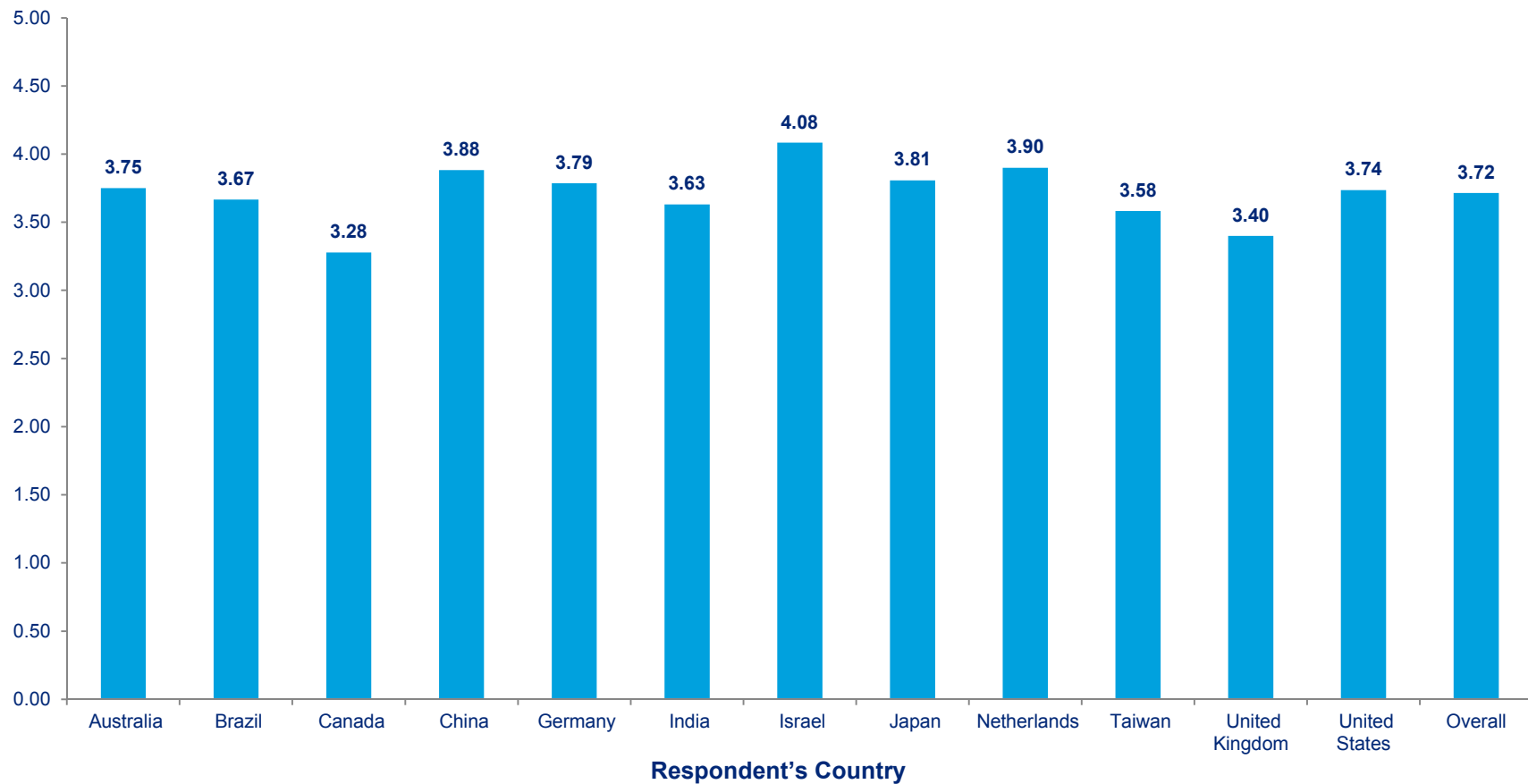
Overall confidence in VC investing in the Software sector



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Industry investing

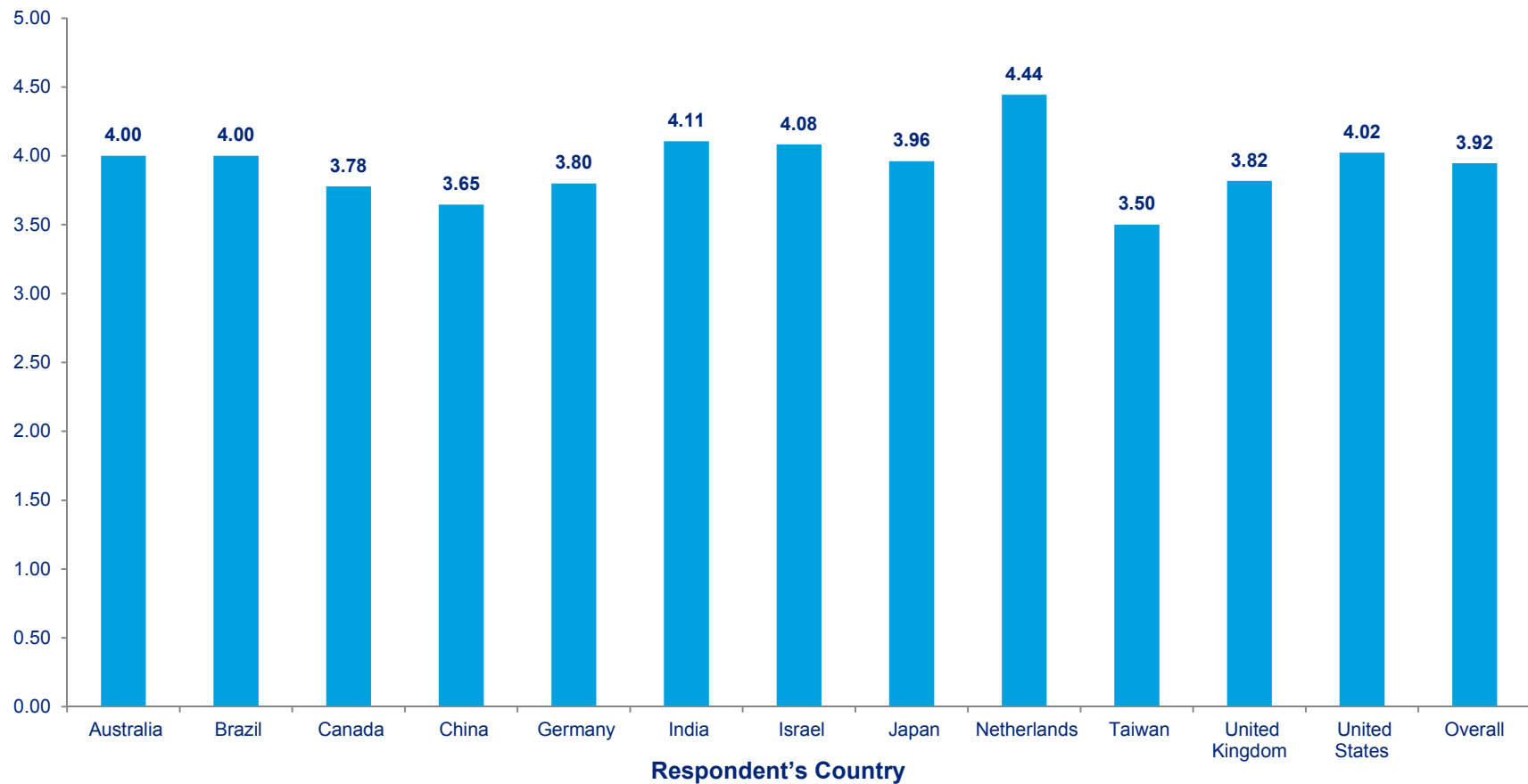
Overall confidence in VC investing in the New Media/Social Networking sector



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Industry investing

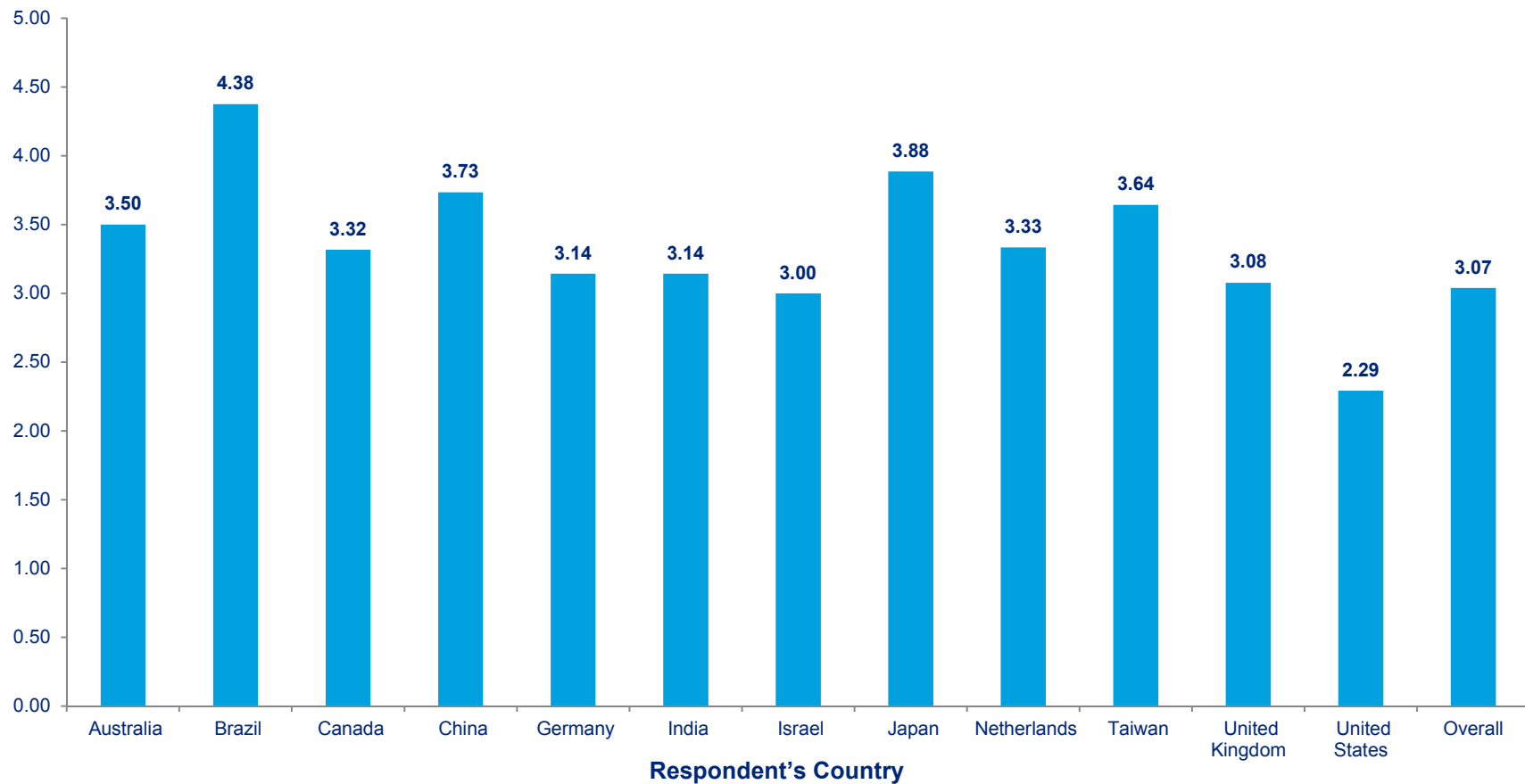
Overall confidence in VC investing in the Cloud Computing sector



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Industry investing

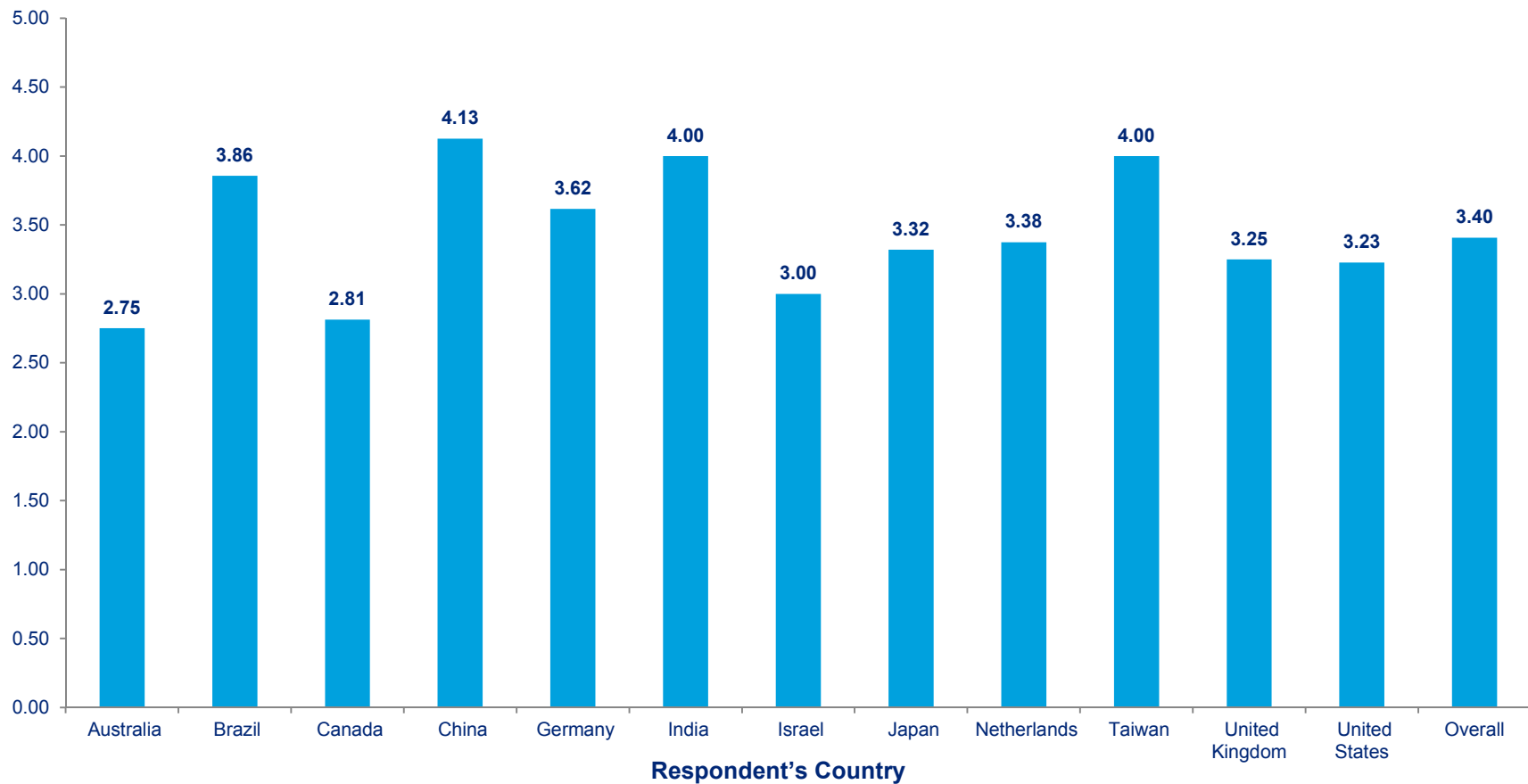
Overall confidence in VC investing in the Clean Technologies sector



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Industry investing

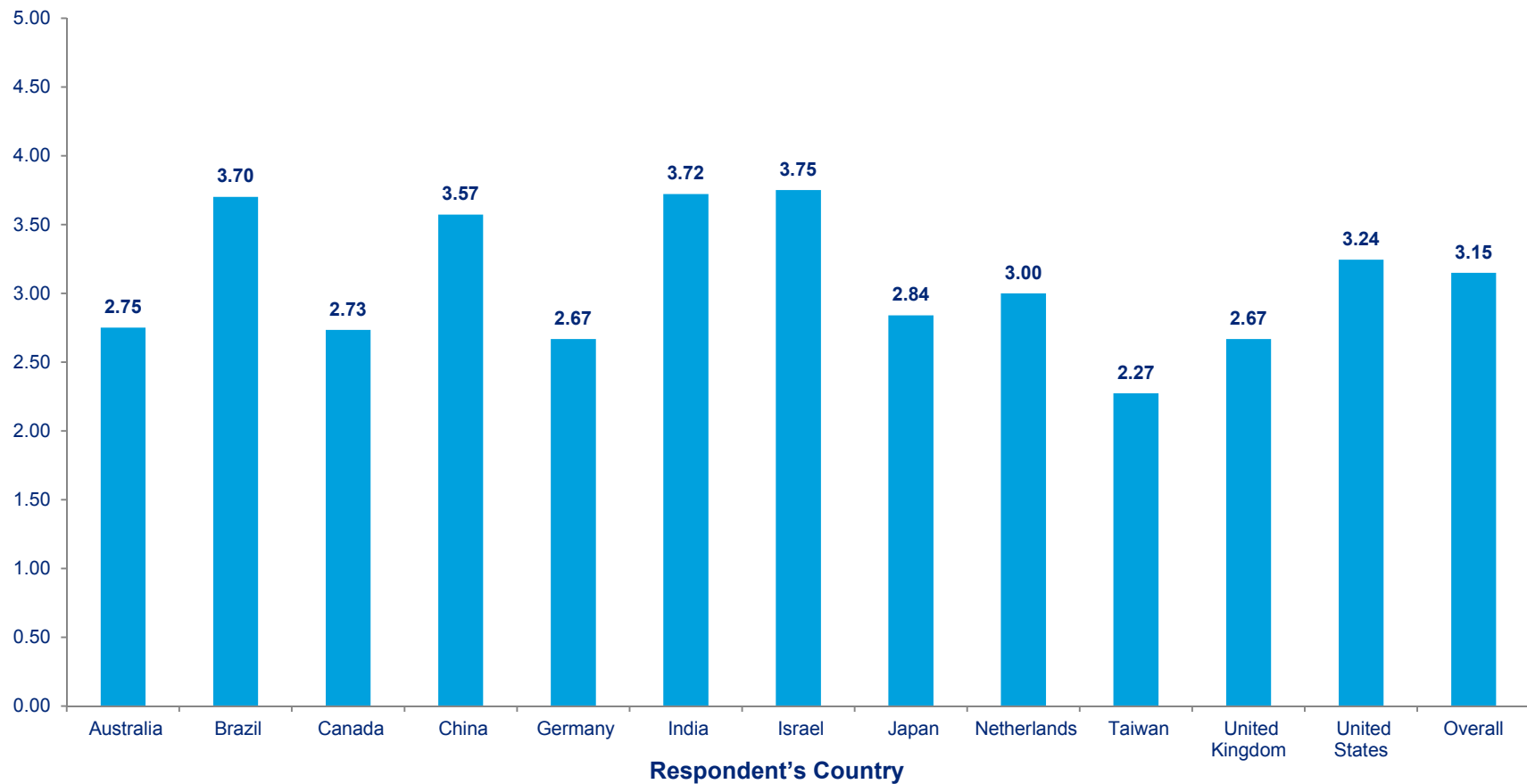
Overall confidence in VC investing in the Consumer Business sector



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Industry investing

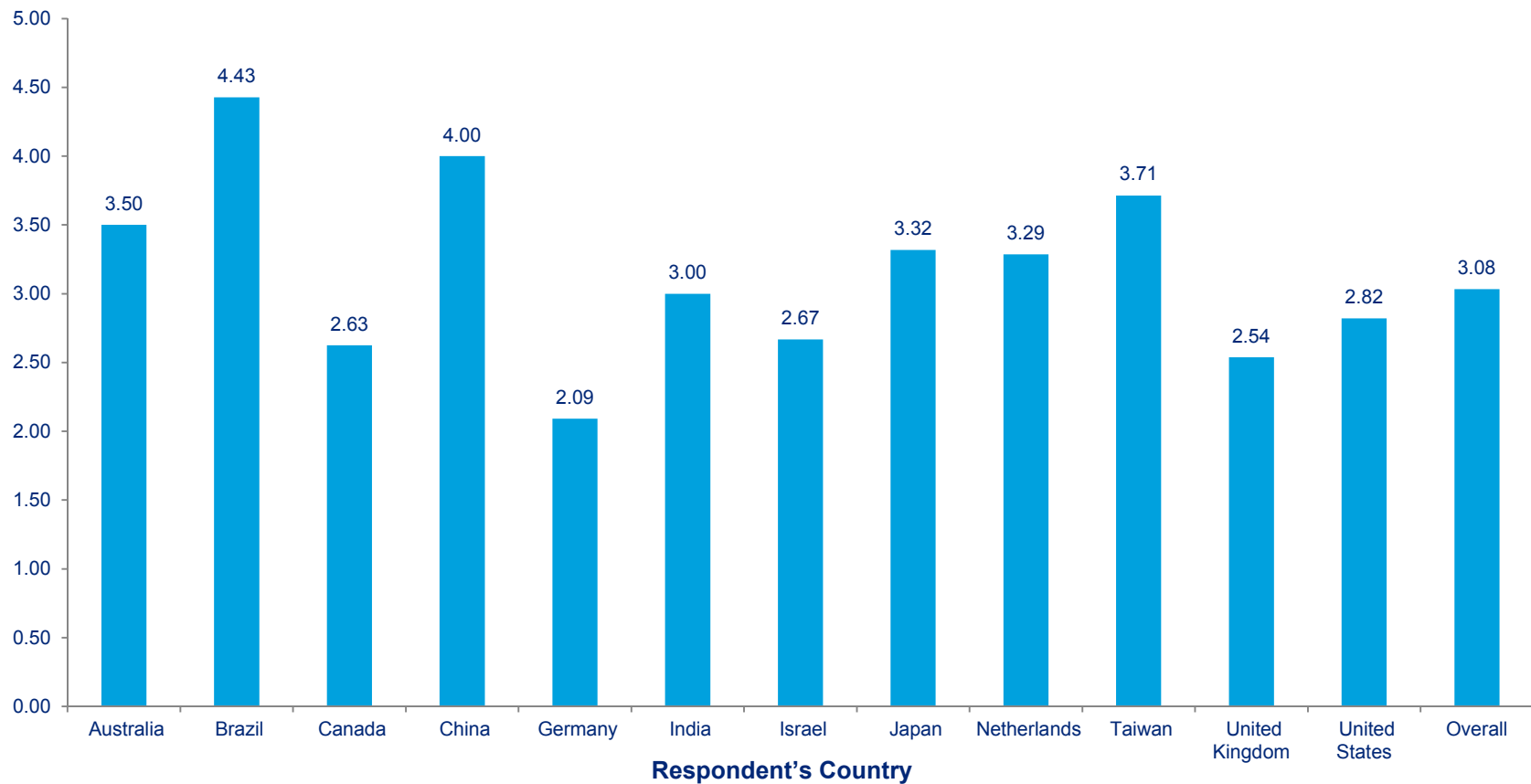
Overall confidence in VC investing in the Financial Services sector



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Industry investing

Overall confidence in VC investing in the Biopharmaceuticals sector



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Industry investing

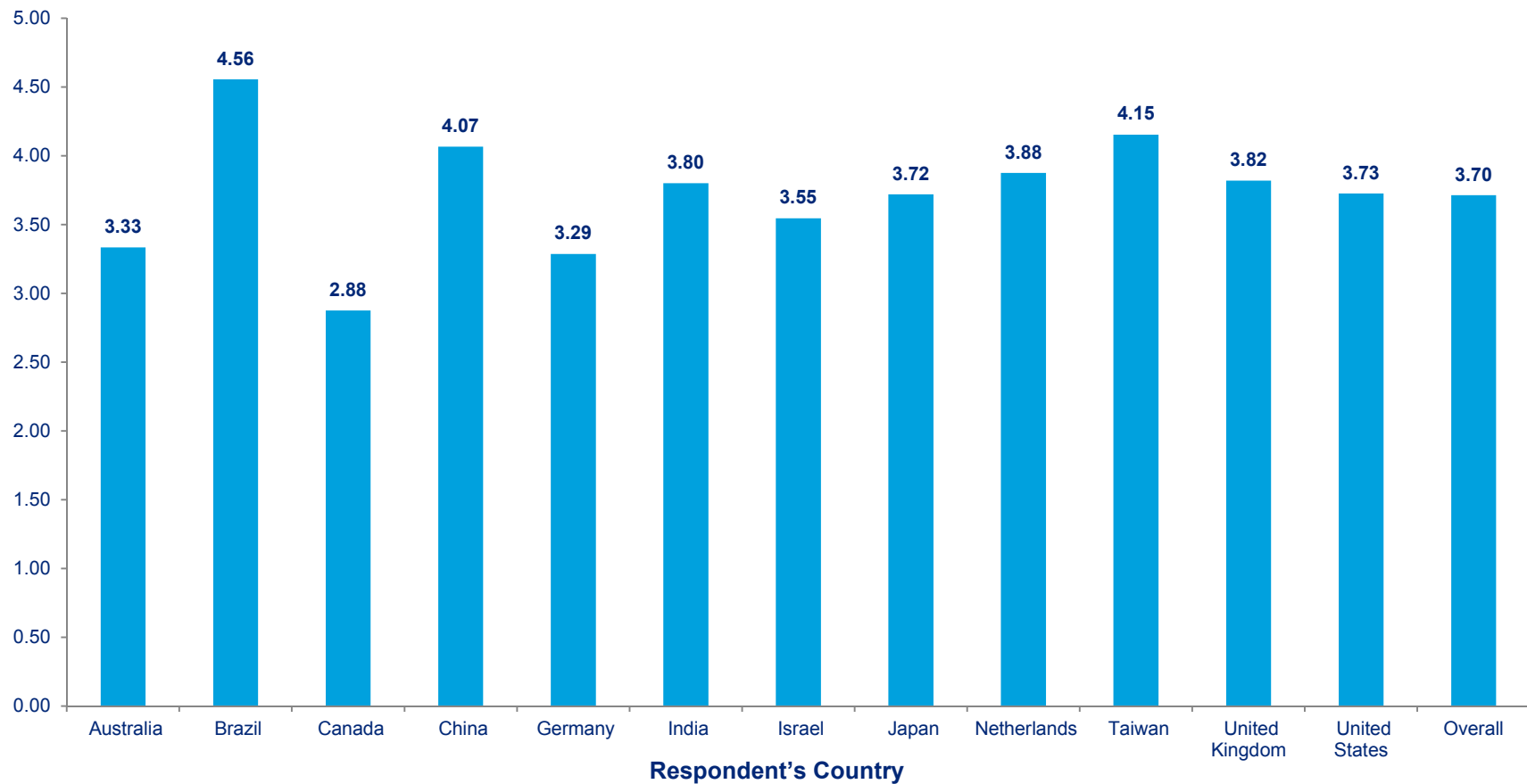
Overall confidence in VC investing in the Medical Device & Equipment sector



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Industry investing

Overall confidence in VC investing in the Healthcare IT & Services sector



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Venture capitalists are committed to funding America's most innovative entrepreneurs, working closely with them to transform breakthrough ideas into emerging growth companies that drive U.S. job creation and economic growth. According to a 2011 Global Insight study, venture-backed companies accounted for nearly 12 million jobs and \$3.1 trillion in revenues in the United States in 2010. As the voice of the U.S. venture capital community, the National Venture Capital Association (NVCA) empowers its members and the entrepreneurs they fund by advocating for policies that encourage innovation and reward long-term investment. As the venture community's preeminent trade association, NVCA serves as the definitive resource for venture capital data and unites its 400 plus members through a full range of professional services. For more information about the NVCA, please visit www.nvca.org.

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