



TECH/VC HIGHLIGHTS



RECORD DEALS: VC investments in Latin America surpassed **US\$1b for the first time** in 2017, **doubling** the amount committed to startups in 2016.



RECORD ROUNDS: Brazilian rideshare **99** closed the largest publicly disclosed round of venture capital to date in Latin America, raising US\$200m over two rounds from SoftBank, Didi Chuxing, and Riverwood Capital. Series C rounds in Brazil drove the record investment totals, but growth was not limited to late-stage deals - deal count overall grew from 197 in 2016 to 249 in 2017.



UNICORNS: In Q1 2018, three tech startups surpassed US\$1b valuations: **99**, **Nubank**, and **PagSeguro** (via IPO). In addition, **Despegar** listed on the NYSE in late 2017, providing a partial exit for investors Tiger Global and Accel Partners.



NEW PLAYERS: 25 global investors made debut investments in Latin America in 2017, including notable deals from SoftBank, TPG's The Rise Fund, Telstra Ventures, Rethink Education and others.



BIG TECH: Growing investment in Latin America coincides with Latin America's emergence as a key strategic market for a growing list of global tech companies, including Amazon, Google, Facebook, Netflix, Spotify, Airbnb, WeWork, Didi Chuxing and Uber.

VENTURE CAPITAL FUNDRAISING

Fundraising was up over **200% year over year**, with managers closing US\$733m in the region, compared to US\$229m that was raised in **2016**.



Source: LAVCA Industry Data

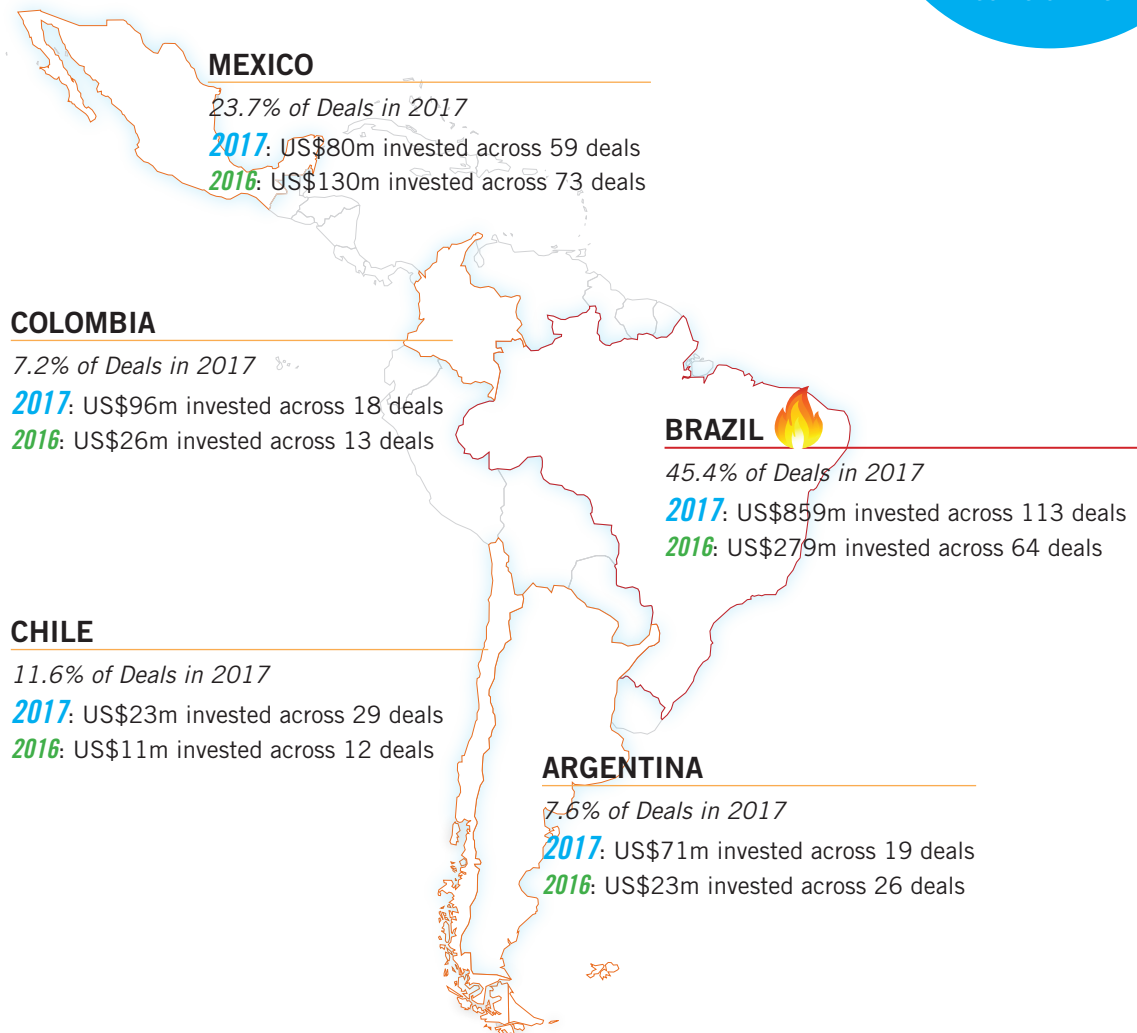
TECH FACT

Uber's **top three cities** by ride volume globally are in Latin America.

TECH FACT

Mexico and Brazil are **top four** audiences globally for YouTube and Facebook in terms of monthly active users – with *half the population still to come online*.

MAPPING THE MAJOR MARKETS



Source: LAVCA Industry Data

2017 TOP DEALS BY VALUE

Investors	Company	Sector	Country	Amount Invested (US\$ Million)	Deal Description
Riverwood Capital, Didi Chuxing, SoftBank	99	 Transportation Tech	Brazil	\$200	Riverwood Capital, monashees+, Didi Chuxing, and SoftBank bought a minority stake in Brazilian rideshare startup 99.
Naspers, Innova Capital	Movele	 Marketplace	Brazil	\$135	Naspers and Innova Capital made two follow-on investments in Movele, a specialist in mobile marketplaces and online-to-offline applications, to increase the company's stake in iFood.
Vostok Emerging Finance, Kaszek Ventures, Quona Capital, QED Investors, IFC, Naspers, Endeavor Catalyst	Creditas (BankFacil)	 Fintech	Brazil	\$60.5	In February, IFC led a US\$19m Series B in Creditas, a digital platform focused on originating and processing secured loans in Brazil. Naspers Fintech joined the financing with existing investors Redpoint events, Kaszek Ventures, QED, and Quona Capital. In December, the latter three investors and Endeavor Catalyst joined Vostok Emerging Finance in Creditas' US\$50m Series C.
Sequoia Capital and undisclosed investors	Rappi	 Logistics & Distribution Tech	Colombia	\$53	Sequoia Capital and undisclosed investors participated in an investment round in Colombian last-mile logistics startup Rappi. Existing investors include Sequoia Capital, Andreessen Horowitz, monashees+, DST Global, Redpoint eVentures, Foundation Capital, Y Combinator, and Funders Club.
Kaszek Ventures, Madrone Capital Partners, Endeavor Catalyst	Dr. Consulta	 Healthcare/Life Sciences	Brazil	\$50	Kaszek Ventures, Madrone Capital Partners, and Endeavor Catalyst invested in Dr. Consulta, a network of physical clinics in Brazil offering top quality healthcare at an affordable price.
QMS Capital, monashees+, Accel Partners, Endeavor Catalyst, Pointbreak, Pollux, Temasek Holdings	Neoway	 Big Data	Brazil	\$45	QMS Capital, monashees+, Accel Partners, Endeavor Catalyst, Pointbreak LLC, Pollux, and Temasek Holdings made an investment in Neoway, a Brazilian enterprise software platform.
Vostok Emerging Finance, Ribbit Capital, QED Investors, IFC, Endeavor Catalyst, and Omidyar Network	GuiaBolso	 Fintech	Brazil	\$39	Vostok Emerging Finance led a US\$39m investment in GuiaBolso, a mobile personal financial service, with participation from Ribbit Capital, QED Investors, the IFC, Endeavor Catalyst, and Omidyar Network. Previous investors include Valor Capital, e.Bricks, and Kaszek Ventures.
Fondo Pitanga, CrunchFund, Tencent Holdings	Satellogic	 Spacetech	Argentina	\$27	Fondo Pitanga, CrunchFund, and Tencent Holdings Limited made a US\$27m Series B investment in spacetech startup Satellogic.
Accel Partners, ALLVP, Jackson Square Ventures, Creandum	Cornershop	 e-commerce	Mexico	\$21	Accel Partners led a Series B in Mexican-Chilean grocery delivery startup Cornershop along with ALLVP, Jackson Square Ventures, and Creandum.
TPG's The Rise Fund, Kaszek Ventures, Endeavor Catalyst, Omidyar Network	Digital House	 Edtech	Argentina	Private	TPG's The Rise Fund, Kaszek Ventures, Endeavor Catalyst, and Omidyar Network invested in Digital House, an Argentina-based coding school.
General Atlantic	Gympass	 Marketplace	Brazil	Private	General Atlantic made an undisclosed investment in Brazilian startup Gympass, a gym membership platform that provides users access to multiple gyms throughout Brazil and nine other countries.
Kaszek Ventures, Riverwood Capital, IFC, GIC, Tiger Global, ICONIQ Capital, Temasek Holdings	Netshoes	 Marketplace	Brazil	Private	Kaszek Ventures, Riverwood Capital, IFC, GIC, Tiger Global, ICONIQ Capital, and Temasek Holdings made an undisclosed investment in Netshoes, an e-commerce company for sporting goods.

Source: LAVCA Industry Data

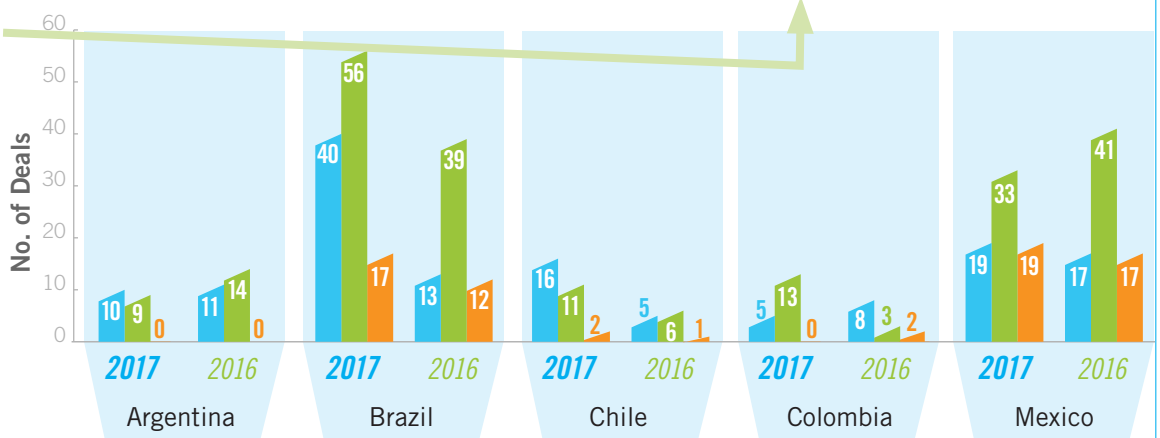
TECH FACT
Latin America is the **fastest-growing** market globally for Airbnb.

TECH FACT
Amazon launched its **first-ever debit card** in Mexico in 2018 and is making investments in data centers, logistics, and the launch of Echo in Latin America.

STARTUP ECOSYSTEM MATURITY

Deals in all categories were up in 2017, but *later stage deals* drove the **record US\$1.1b** deployed in VC in the region in **2017**.

TECH FACT
WeWork, Netflix, and Spotify are actively expanding in Latin America.



Expansion Stage

– capital for companies that have reached a sustainable level of development and may be shipping products



Early Stage – startup capital for companies



Seed/Incubator – startup capital for companies to incubate an idea into a company or product

Source: LAVCA Industry Data

CO-INVESTMENTS

Co-investments accounted for almost a **quarter of all VC deals** and two-thirds of VC dollars invested in **2017**. Deal value for co-investments involving *global investors* more than **doubled** in **2017**.

22% Of VC deals in Latin America in **2017** were co-investments.

67% Of the VC money invested in Latin America in **2017** was in co-investments.

LatAm + LatAm

Latin American investors CO-INVESTING with other Latin American investors



2017

18 Deals had 2+ Latin American co-investors
Latin American co-investors deployed **US\$31m**

2016

10 Deals had 2+ Latin American co-investors
Latin American co-investors deployed **US\$38m**

LatAm + Global

Latin American investors CO-INVESTING with global investors












2017

29 Deals had 2+ Global + Latin American co-investors
Global co-investors deployed **US\$633m**

2016

25 Deals had 2+ Global + Latin American co-investors
Global co-investors deployed **US\$203m**


OTHER HIGHLIGHTED 2017 DEALS


Investors	Company	Sector	Country	Deal Type	Amount Invested (US\$ Million)	Deal Description
IFC, QED Investors, Kaszek Ventures, Jaguar Ventures, Quona Capital	Konfio	 Fintech	Mexico	Early Stage	US\$6.5	The IFC led a Series B in online lending platform Konfio with participation from existing investors QED Investors, Kaszek Ventures, Jaguar Ventures, Quona Capital, and Acción Venture Lab.
Seaya Ventures, Variv Capital, Endeavor Catalyst	Yogome	 Edtech	Mexico	Early Stage	US\$6.6	Seaya Ventures led a Series A in Mexican edtech startup Yogome with participation from Endeavor Catalyst and existing investor Variv Capital.
Sallfort Privatbank AG, MIT Castor Ventures Fund, FJ Labs, Rocketship, Mercado Libre Fund	Trocafone	 Marketplace	Brazil	Early Stage	US\$15.0	Sallfort Privatbank AG, MIT Castor Ventures Fund, FJ Labs, Rocketship, and Mercado Libre Fund made a US\$15m investment in Trocafone, a Brazil-based online marketplace for used electronics. Trocafone was accelerated by Telefonica Open Future's Wayra.
Goldman Sachs, Qualcomm Ventures, Soros, Valor Capital, Agility Logistics, Oscar Salazar	CargoX	 Logistics & Distribution Tech	Brazil	Expansion Stage	US\$20.0	Goldman Sachs led a Series C investment in Brazilian trucking startup CargoX, with participation from Qualcomm Ventures, Soros, and existing investors Valor Capital, Agility Logistics, and Uber co-founder Oscar Salazar.
Axon Partners, Pegasus, Movile	Mercadoni	 Consumer/Retail	Colombia	Early Stage	US\$15.2	Axon Partners, Grupo Pegasus, and Movile made a Series A investment in Colombian grocery delivery platform Mercadoni.
Dalus Capital	Cultura Colectiva	 Media Tech	Mexico	Expansion Stage	US\$3.9	Dalus Capital invested in Cultura Colectiva, a digital media company creating content for Spanish-speaking millennials.
Bamboo Capital, IFC, Kaszek Ventures, Ribbit Capital, Rise Capital	Compara Online	 Fintech	Chile	Expansion Stage	US\$14.0	Bamboo Capital and the IFC invested in ComparaOnline, a price comparison site for insurance and financial services in Latin America.
Vostok Emerging Finance, Redpoint eventsures, Valor Capital Group	Nibo	 Fintech	Brazil	Early Stage	US\$6.5	Swedish investor Vostok Emerging Finance led an investment round in Brazilian fintech platform Nibo. Other investors include Redpoint eventsures and Valor Capital.
ALLVP, IGNA, Soldiers Fields Angels, Social Capital	Apli	 Marketplace	Mexico	Early Stage	US\$1.5	ALLVP led a follow-on investment in Apli, a Mexican startup connecting workers to flexible job opportunities, with participation from IGNA, Soldiers Fields Angels, and Social Capital. Apli was accelerated at Numa Mexico.

Source: LAVCA Industry Data

MOST ACTIVE INVESTORS

Most active investors 2016 & 2017 (by deal count) include:

 **Seed/Incubator:** Cygnus Capital, monashees+, Mountain Nazca, NXTP Labs, Redpoint eventsures, 500 Startups, Canary

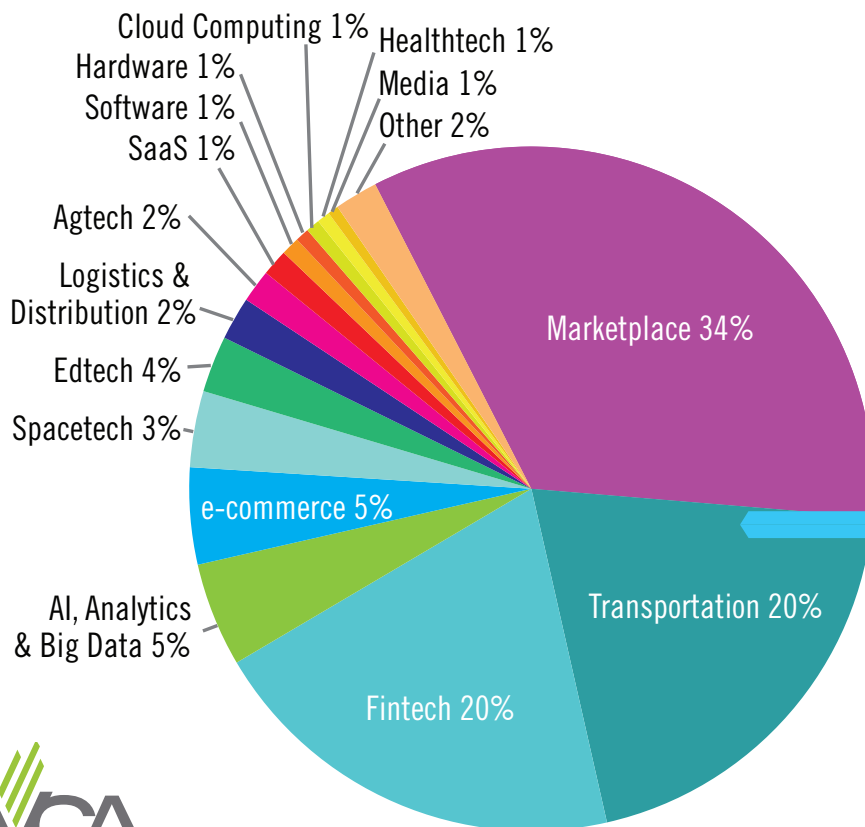
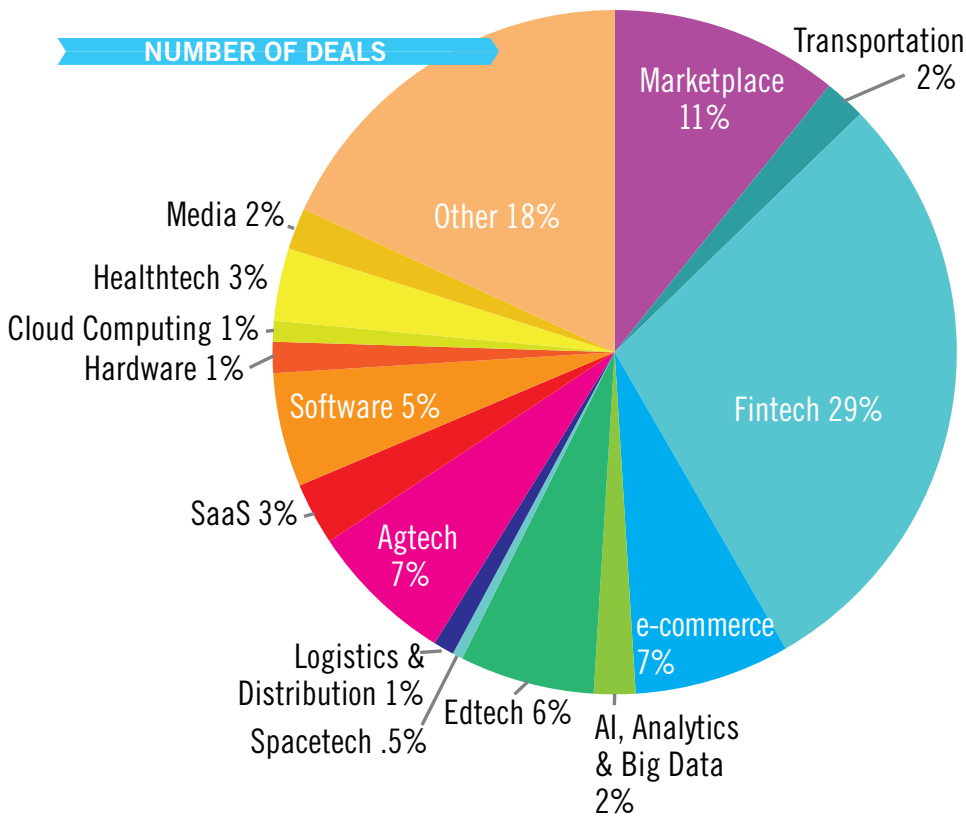
 **Early Stage:** ALLVP, Dila Capital, NXTP Labs, monashees+, Redpoint eventsures, SP Ventures, Valor Capital

 **Expansion Stage:** Kaszek Ventures, InvestTech, Redpoint eventsures

TECH FACT

25 global investors made **debut investments** in 2017, including Accel-KKR, SoftBank, Didi Chuxing, ONEVC, TheVentureCity, Rethink Education, Telstra Ventures, TPG's The Rise Fund, NTT DoCoMo Ventures, and blockchain investors BlockTower Capital and FBG Capital.

TRENDING SECTOR WATCH*



SPOTLIGHT ON 2017 MARKETPLACE DEALS

Afluenta is a peer-to-peer lending network that raised US\$8m from Elevar Equity and the IFC.

Aliada is an on-demand cleaning services platform that raised undisclosed investment from Promotora Social Mexico, VARIV Capital, Capital Invent, Dila Capital and Gentera (through its innovation arm Fiinlab).

Apli connects workers to flexible job opportunities in Mexico and raised US\$1.5m from ALLVP IGZIA, Soldiers Fields Angels and Social Capital.

InstaCarro is a platform for selling automobiles that raised R\$40m from FJ Labs and Lumia Capital.

Trocafone is a marketplace for used electronics that raised US\$15m from Callfort, MIT Castor Ventures Fund, FJ Labs, Rocketship and the MercadoLibre Fund.











Netshoes is an ecommerce platform for shoes that raised expansion capital from Kaszek Ventures, Riverwood Capital, GIC, the IFC, Tiger Global, ICONIQ Capital and Temasek Holdings prior to its IPO on the NYSE.

*“Other” includes: Security & Infrastructure, Adtech & Marketing, Human Resources, Real Estate, Food Delivery, Games, Travel/Tourism, Services, Business Services, Event, Social Platform, Legal, Consumer/Retail, Telecommunications, Video, Photography, B2B Services, Internet of Things, Internet

FASTEST GROWING SECTORS

TECH FACT

Chinese transport giants *Didi Chuxing* and *Ofo* launched rideshare services in Mexico, their **first presence** outside of China under their brands.

	No. of Deals		\$ Deals (US\$ Million)	
	2017	2016	2017	2016
 Marketplace	22 ↑ 100.0%	11	\$342.2 ↑ 1779.7%	\$18.2
 Transportation Tech	4 ↑ 33.3%	3	\$203.5 ↑ 5826.0%	\$3.4
 Fintech	59 ↑ 55.3%	38	\$202.8 ↑ 8.7%	\$186.5
 e-commerce	15 ↓ -31.8%	22	\$49.7 ↑ 121.3%	\$22.5
 Edtech	13 ↑ 116.7%	6	\$36.4 ↑ 498.8%	\$6.1
 Adtech	14 ↑ 133.3%	6	\$15.7 ↑ 127.7%	\$6.9
 Software	11 ↑ 266.7%	3	\$8.8 ↑ 90.0%	\$4.6
 Hardware	3 ↑ 200.0%	1	\$6.6 ↑ 784.3%	\$0.8
 Healthtech	7 ↑ 250.0%	2	\$6.2 ↑ 731.1%	\$0.7
 Media	4 ↑ 100.0%	2	\$5.1 ↑ 332.1%	\$1.2
 Security & Infrastructure	6 ↑ 50.0%	4	\$4.9 ↑ 44.2%	\$3.4

SECTORS TO WATCH

In 2016, LAVCA highlighted Edtech, Healthtech, and Agtech as three sectors to watch. Investment in these sectors **more than doubled** in 2017, both in capital and number of deals.



Agtech: **Agrosmart, BovControl, S4, Tbit**



Edtech: **Digital House, Kinedu, Me Salva!, Yogome**



Healthtech: **Dr. Consulta, 1Doc3, eDoc Saude, Nimblr**

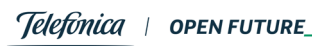
*A total of US\$1.1b was invested in Latin American startups in 2016, of which US\$1b was invested in the IT sector.

Source: LAVCA Industry Data

The content is made possible with support from Omidyar Network and the Latin American Tech Growth Coalition.



Latin American Tech Growth Coalition members are leading global tech companies and top Latin American tech companies with a common goal of identifying and advancing high growth startups in Latin America. The coalition seeks to create valuable networks and better access to information and best practices for the region's vibrant early stage community.



A special thank you to the LatAm Tech Forum, Riverwood Capital, and the event sponsors and partners.

About the Latin American Private Equity & Venture Capital Association

The Latin American Private Equity & Venture Capital Association is a not-for-profit membership organization dedicated to supporting the growth of private capital investors in Latin America and the Caribbean. LAVCA's membership is comprised of over 180 firms, from leading global investment firms active in the region and local fund managers to family offices, global sovereign wealth funds, and international pension plans. Member firms control assets in excess of US\$65b, directed at capitalizing and growing Latin American businesses. LAVCA's mission – to spur regional economic growth by advancing private capital investment – is accomplished through programs of research, networking forums, education and advocacy of sound public policy. Visit www.lavca.org for more information.

LAVCA FACT

LAVCA's bi-weekly newsletter, *The LatAm Venture Bulletin*, has over 3,000 subscribers globally including fund managers, institutional investors, corporate investors, sovereign wealth funds, entrepreneurs, and journalists.

SAVE THE DATE for LAVCA's Annual Venture Investor Meeting on September 27, 2018 in New York. For regular updates about VC, tech, and startup activity in Latin America, sign up for the LatAm Venture Bulletin.