



# Q2 2023 Venture Monitor Webinar



In partnership with

J.P.Morgan

大成 DENTONS

Global Venture Technology



# Featuring



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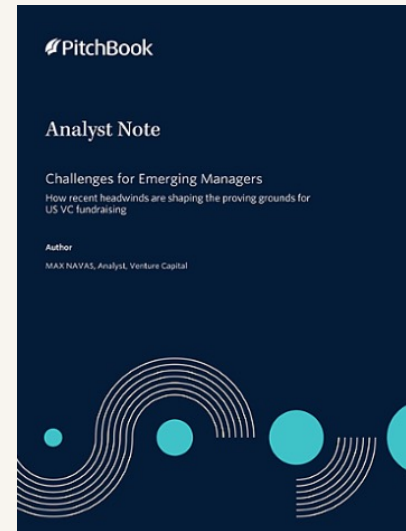
# Relevant Reports



[Q2 PitchBook-NVCA  
Venture Monitor Report](#)



[Q2 European Venture  
Report](#)



[Q2 2023 Challenges for  
Emerging managers](#)



[PitchBook Benchmarks  
\(as of Q4 2022\)](#)

# Key Takeaways from Industry Data

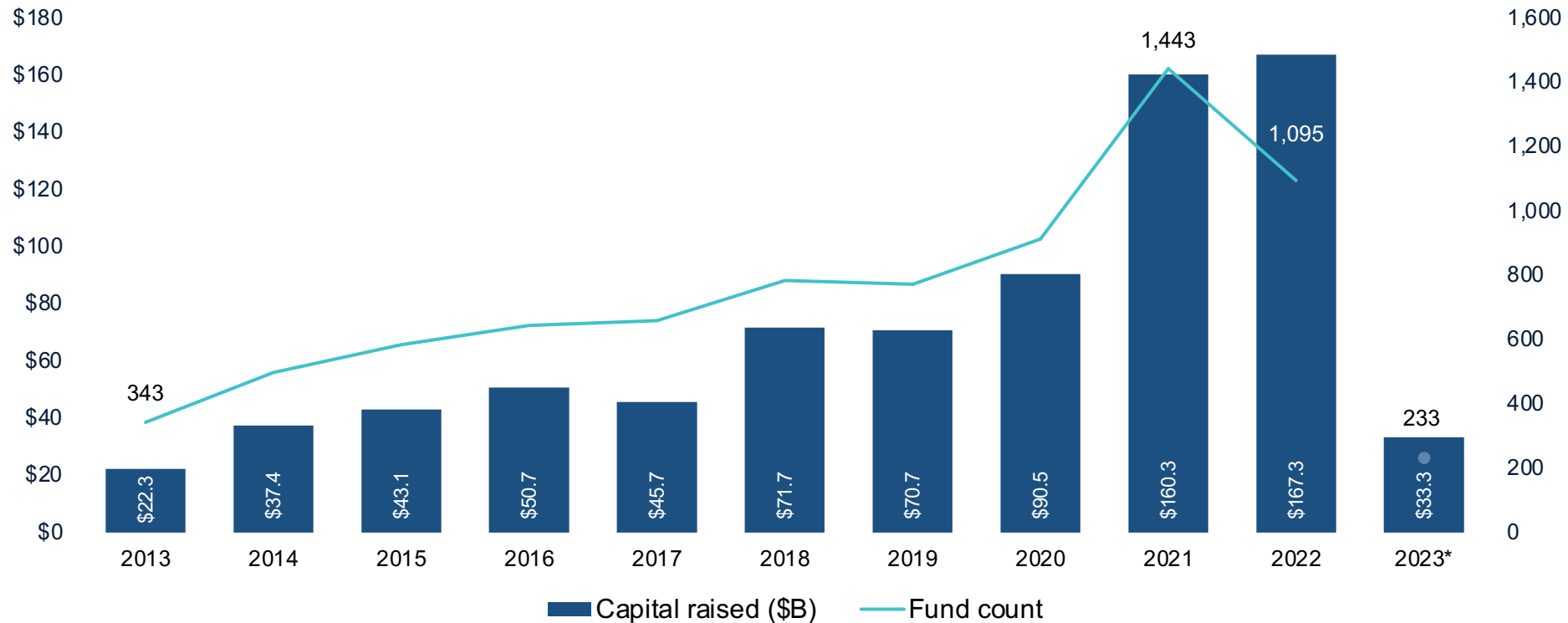
- **The US VC market has turned most investor friendly in a decade**
- **Projected annualized exit value sits at the lowest in a decade**
- **US VC dry powder remains elevated at \$279.8 billion, but concentrated in mega-funds**



# US VC Fundraising



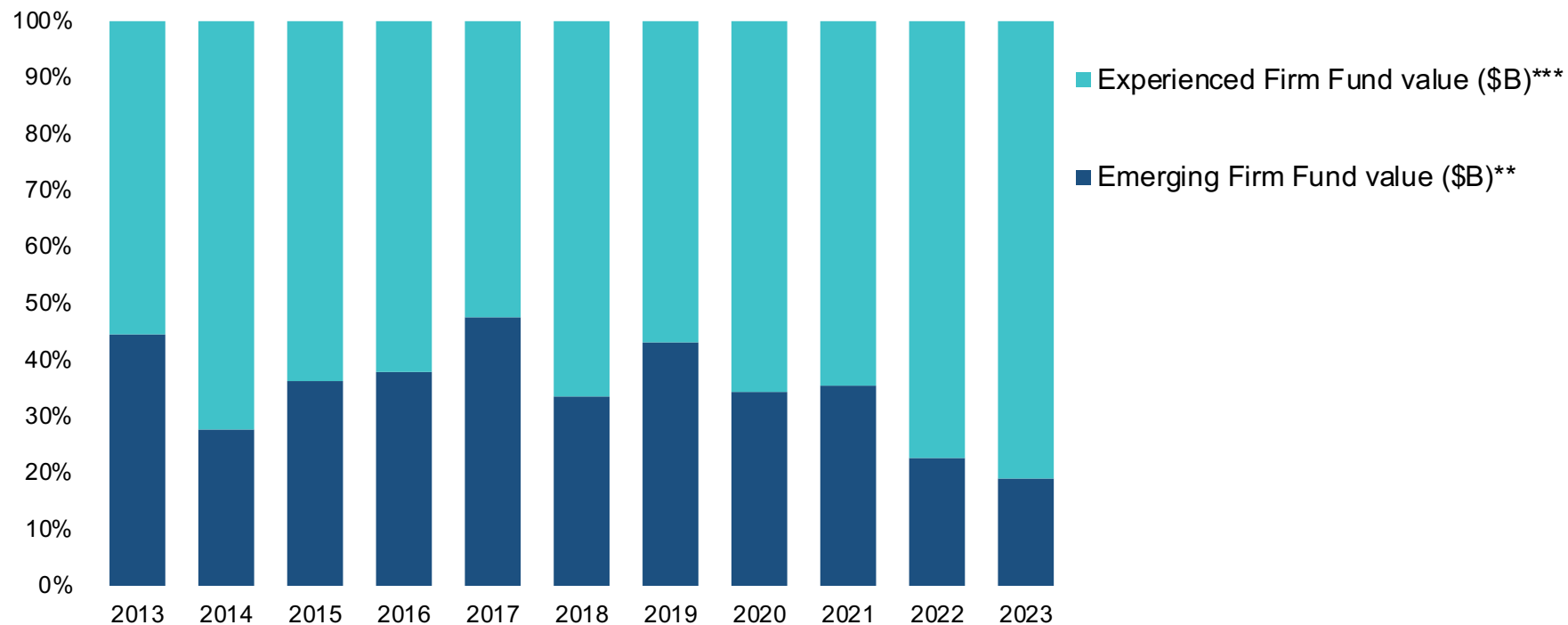
# US VC fundraising activity (\$B)



**\$33.3B**  
committed to 233  
funds

Source: PitchBook | Geography: U.S.  
\*As of 6/30/2023

# Share of US VC capital raised (\$B) by manager type

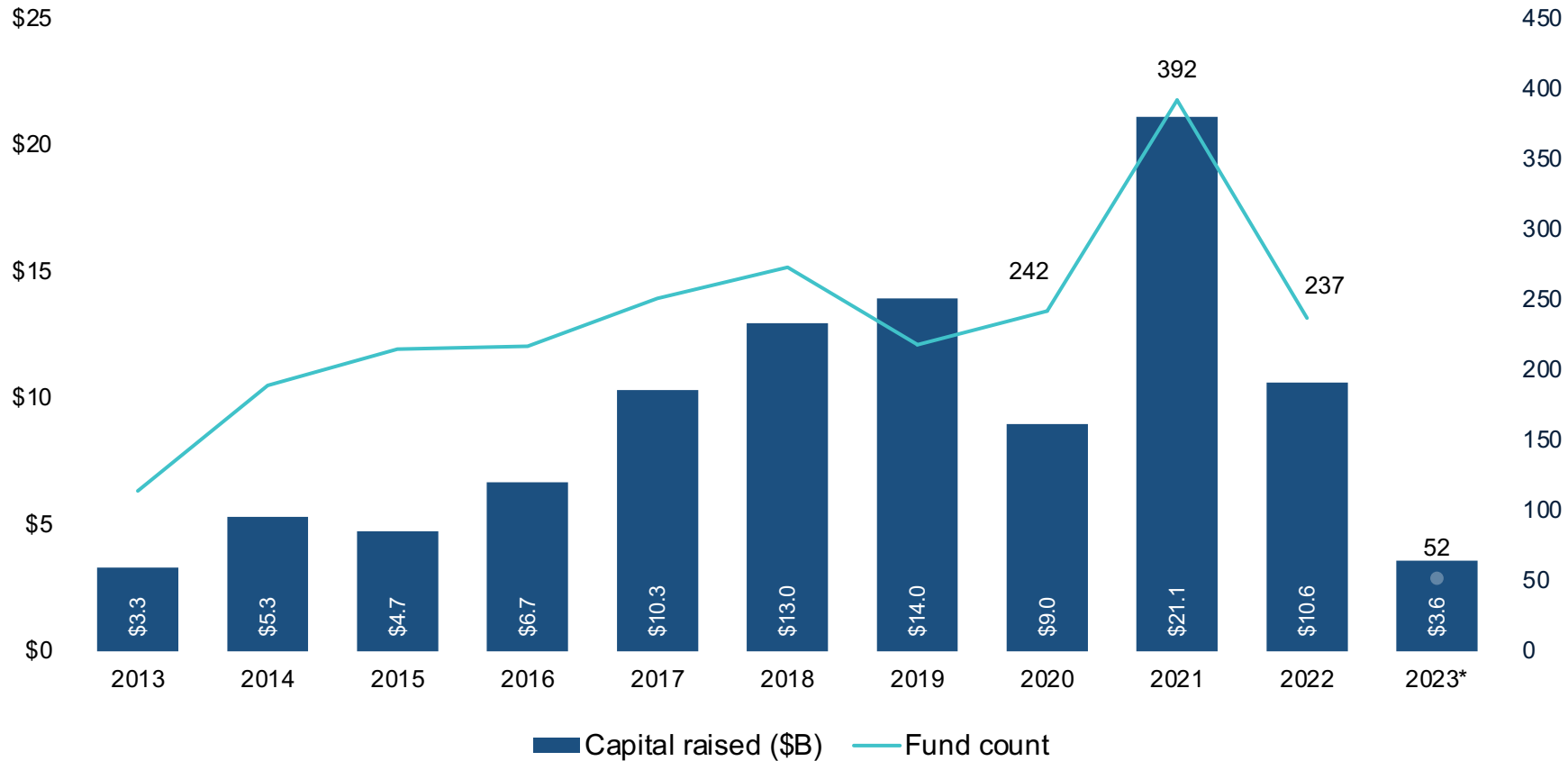


\*\* Emerging is defined as firms that have launched fewer than 4 funds

\*\*\* Experienced firms are defined as firms that have opened 4 or more funds

19.1%  
\$6.4B capital raised in the first half of 2023 went to emerging managers

# US VC first-time fundraising activity

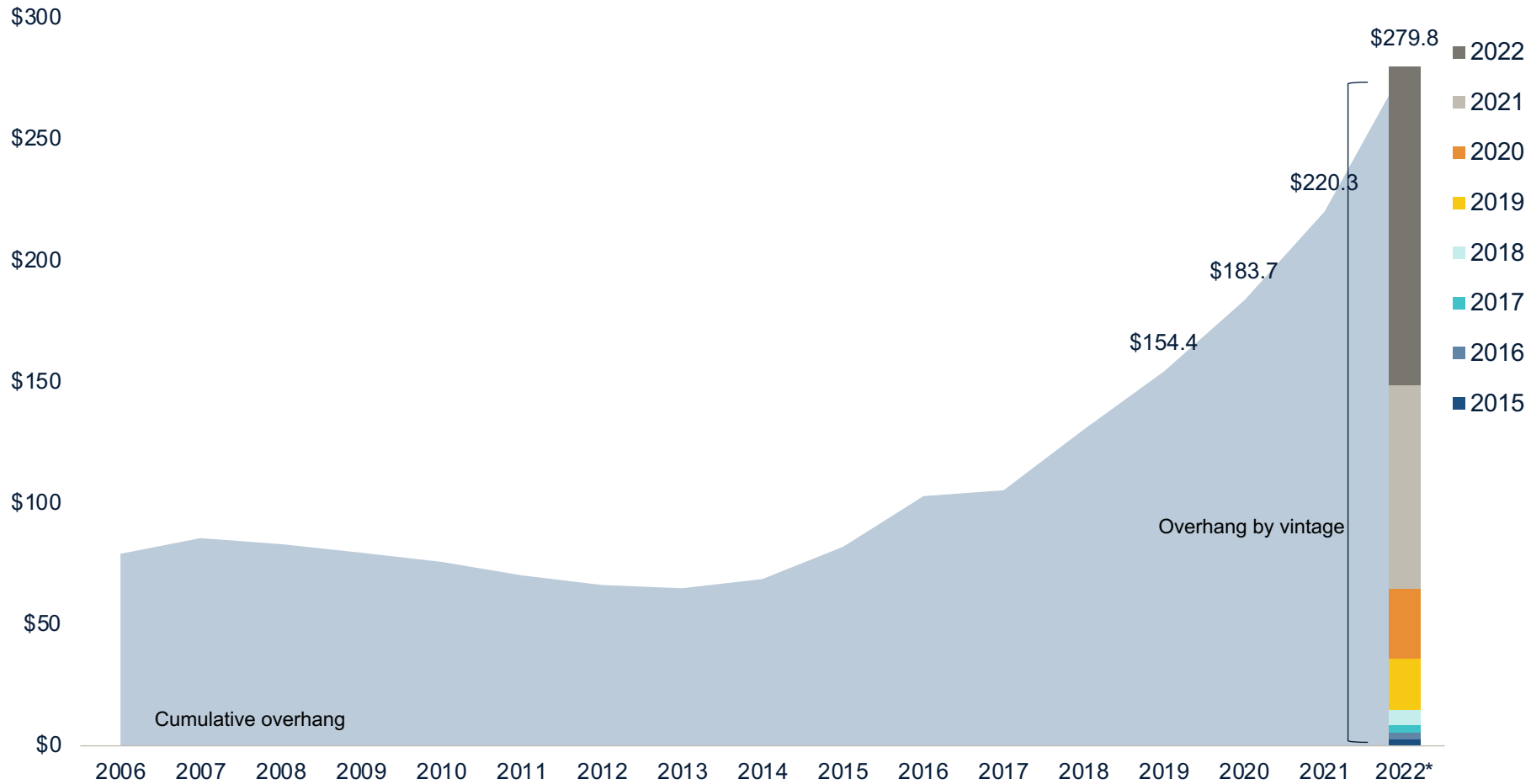


**\$3.6B**  
committed to 52  
first-time funds

Source: PitchBook | Geography: U.S.  
\*As of 6/30/2023



# Capital overhang (\$B)



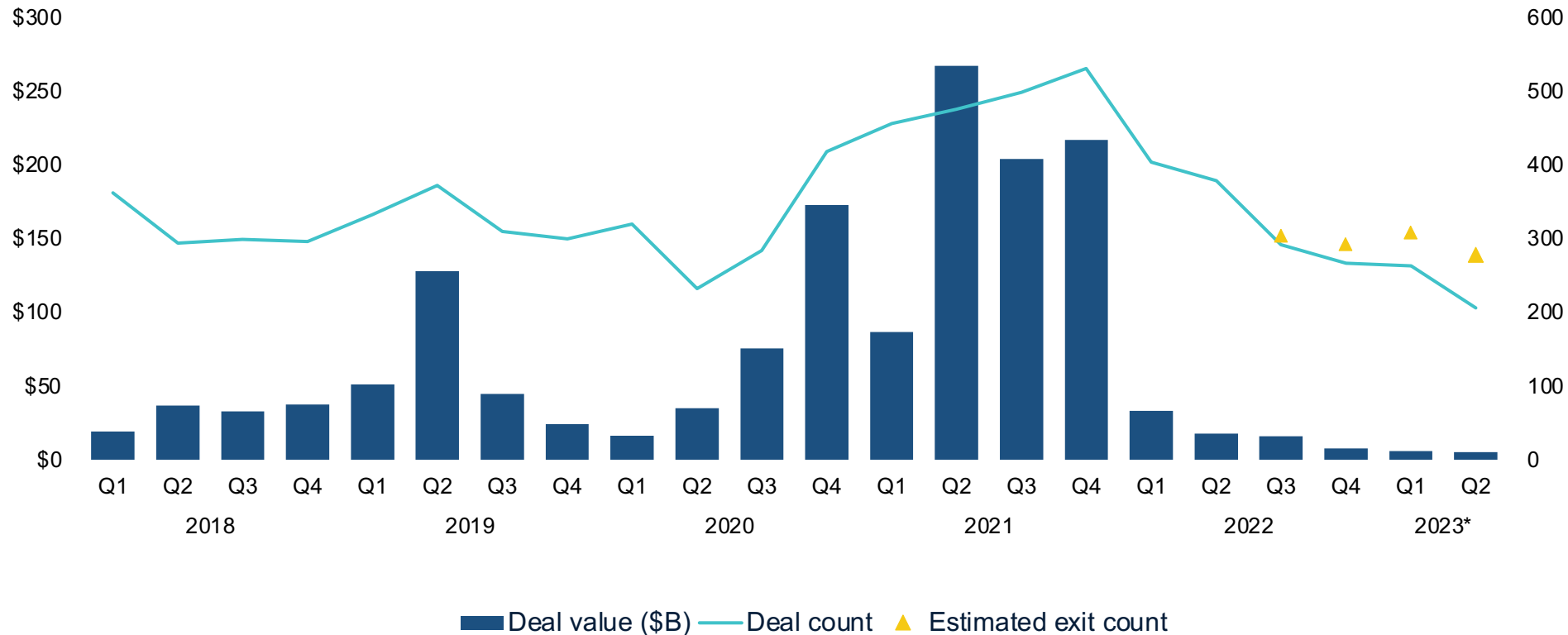
US VC dry powder remains high and will likely stay elevated through the end of 2023.

Source: PitchBook | Geography: U.S.  
\*As of 06/30/2023

# US VC Exits



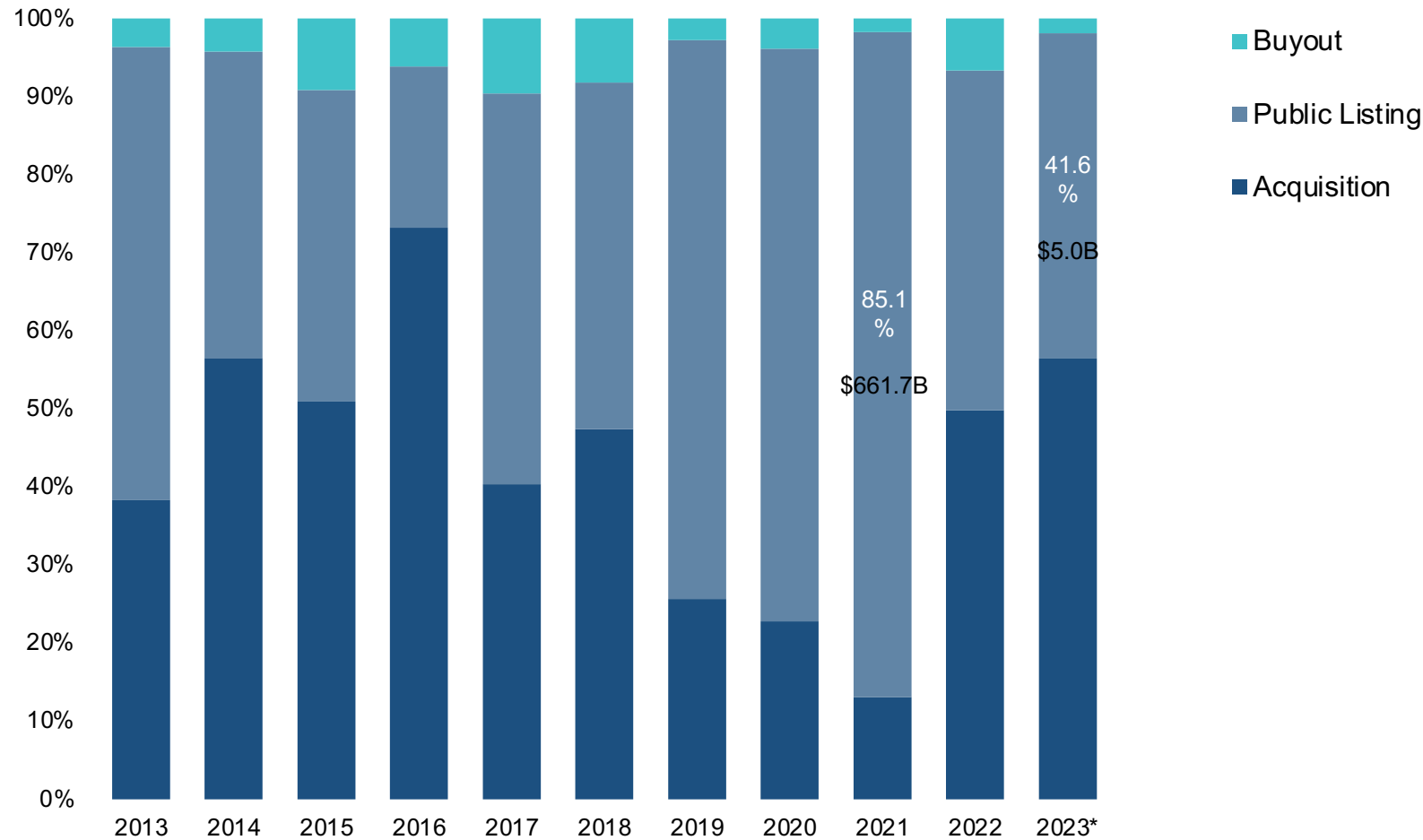
# US VC-backed exit activity



**\$12.0B**  
 exit value  
 generated YTD.  
 Annualized figure  
 sits at lowest point  
 in a decade.

Source: PitchBook | Geography: U.S.  
 \*As of 6/30/2023

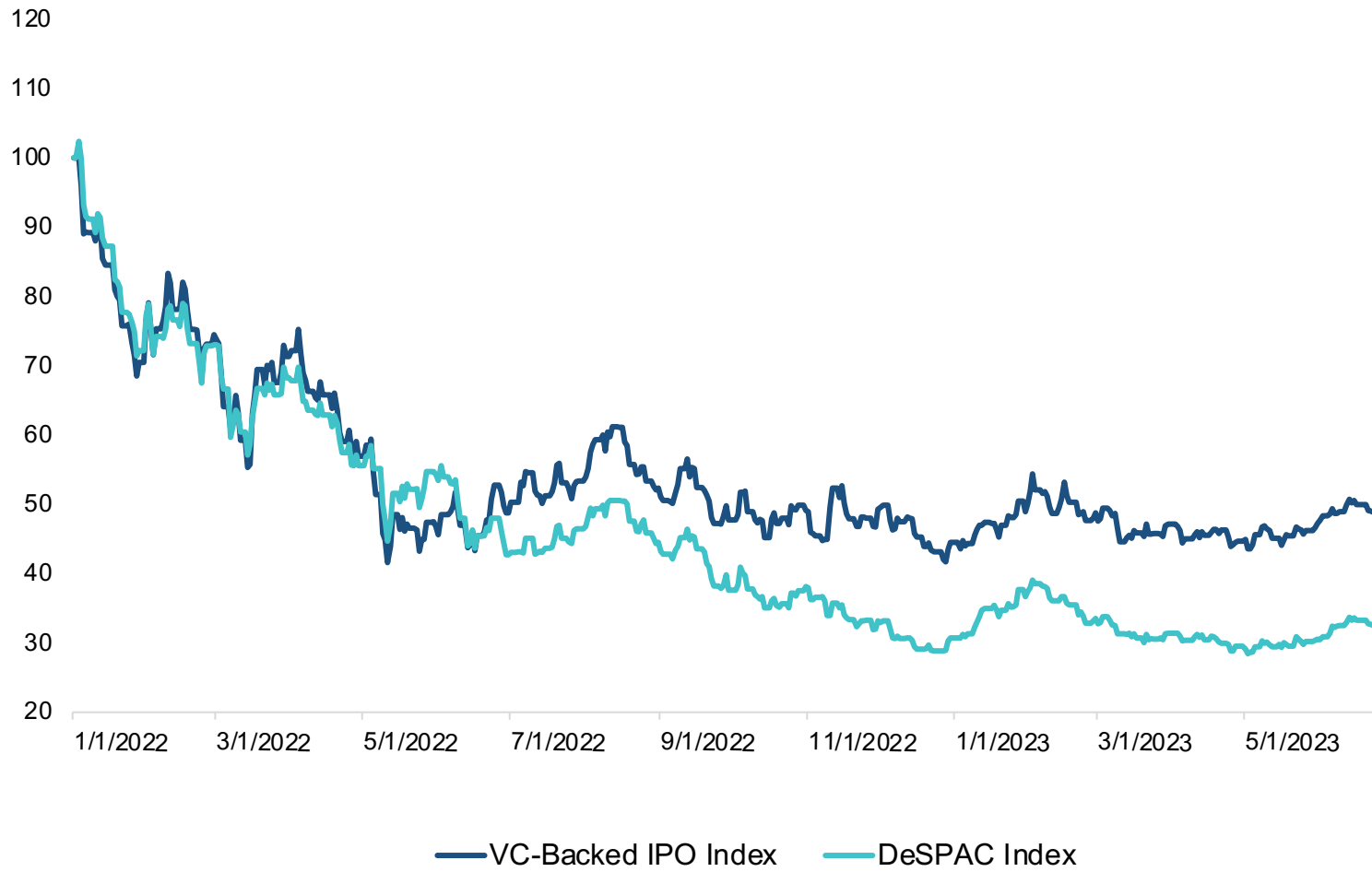
# US VC exit activity (\$B) by type



Source: PitchBook | Geography: U.S.  
\*As of 6/30/2023

**56.5%**  
exit value 2023  
YTD (\$6.8B) came  
from acquisitions,  
highest since 2016

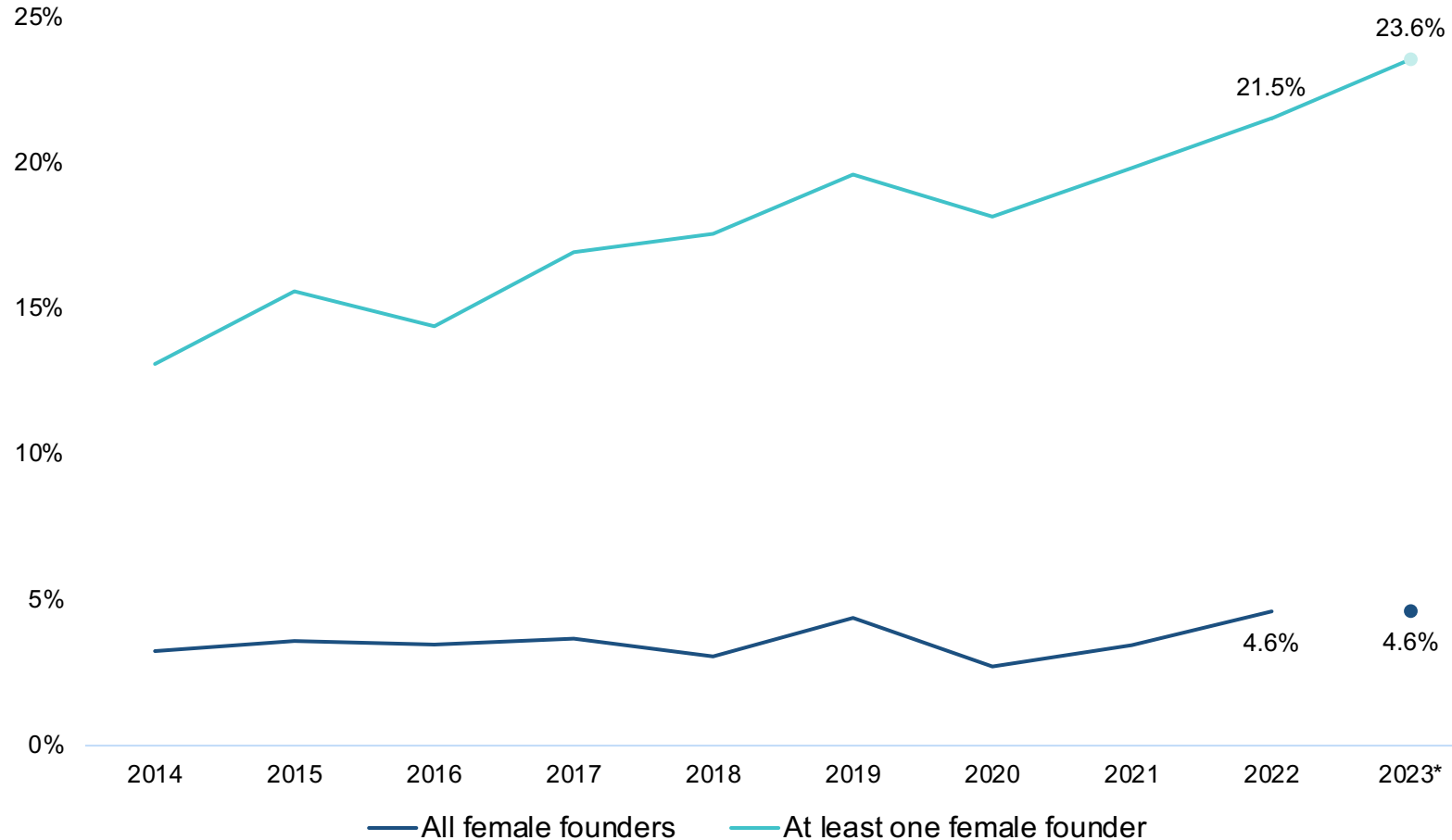
# US VC-backed IPO and DeSPAC indexes



Despite 2023 YTD returns being positive, index values fell sharply from 2022 level.

Source: PitchBook | Geography: U.S.  
\*As of 6/30/2023

# % of female-founded companies (#) of total exits



Source: PitchBook | Geography: U.S.  
\*As of 6/30/2023

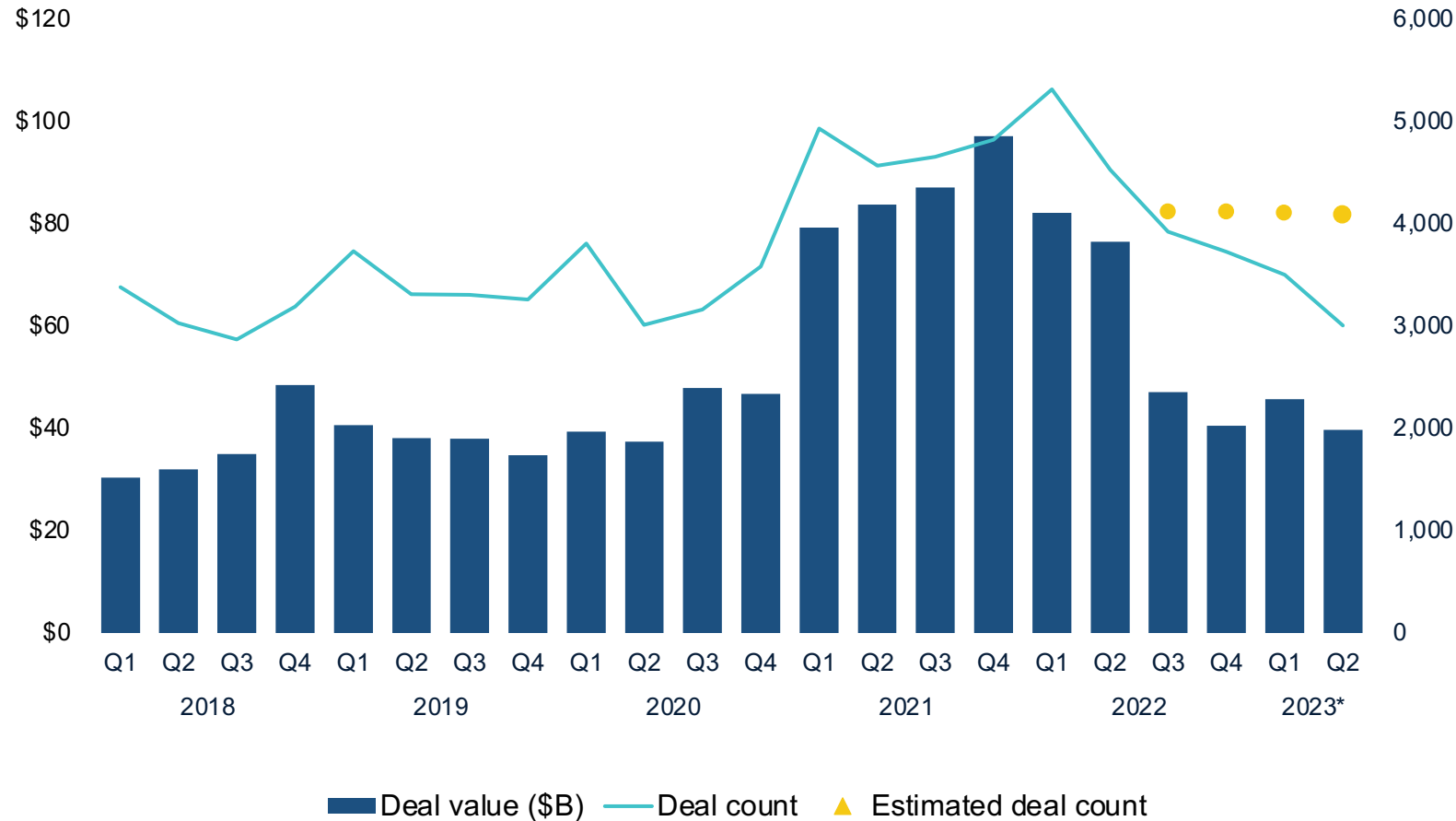
The percentage of companies with at least one female founder as a proportion to total US VC exits ascended to record high



# US VC Dealmaking



# US VC deal activity



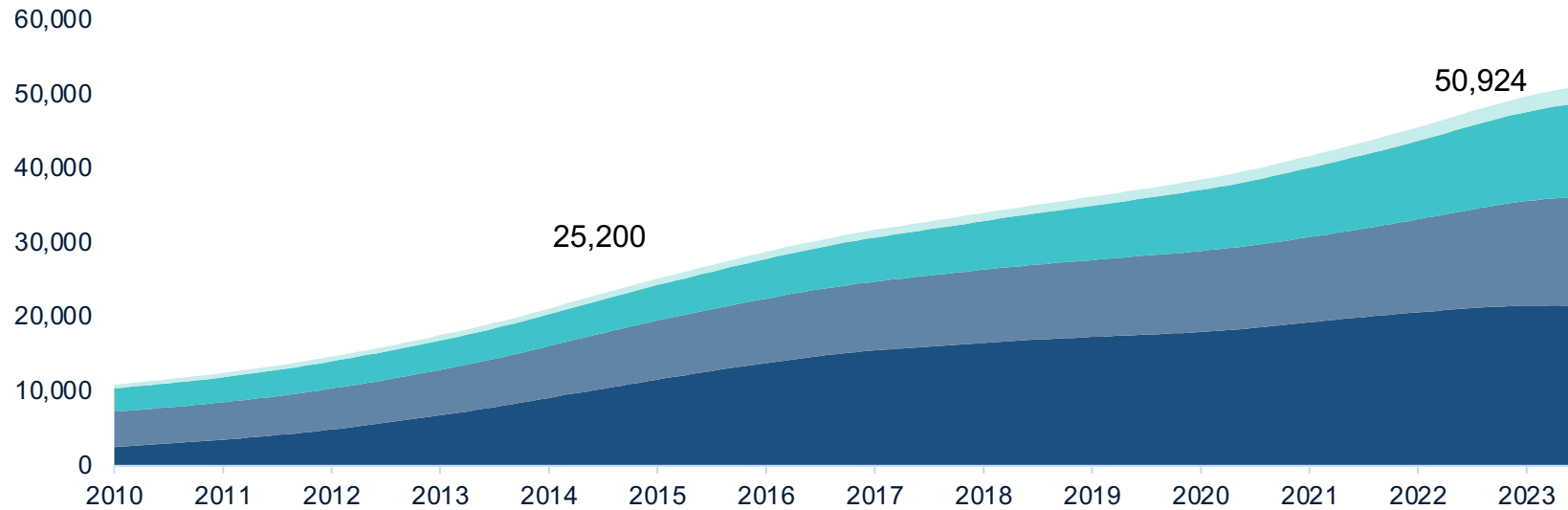
**\$85.6B**  
 invested across an  
 estimated 8,195  
 deals in the first  
 half of 2023

Deal counts still  
 remain above  
 pre-2021 figures

Source: PitchBook | Geography: U.S.  
 \*As of 6/30/2023



# US VC company inventory



■ Smoothed angel and seed company count

■ Smoothed early-stage VC company count

■ Smoothed late-stage VC company count

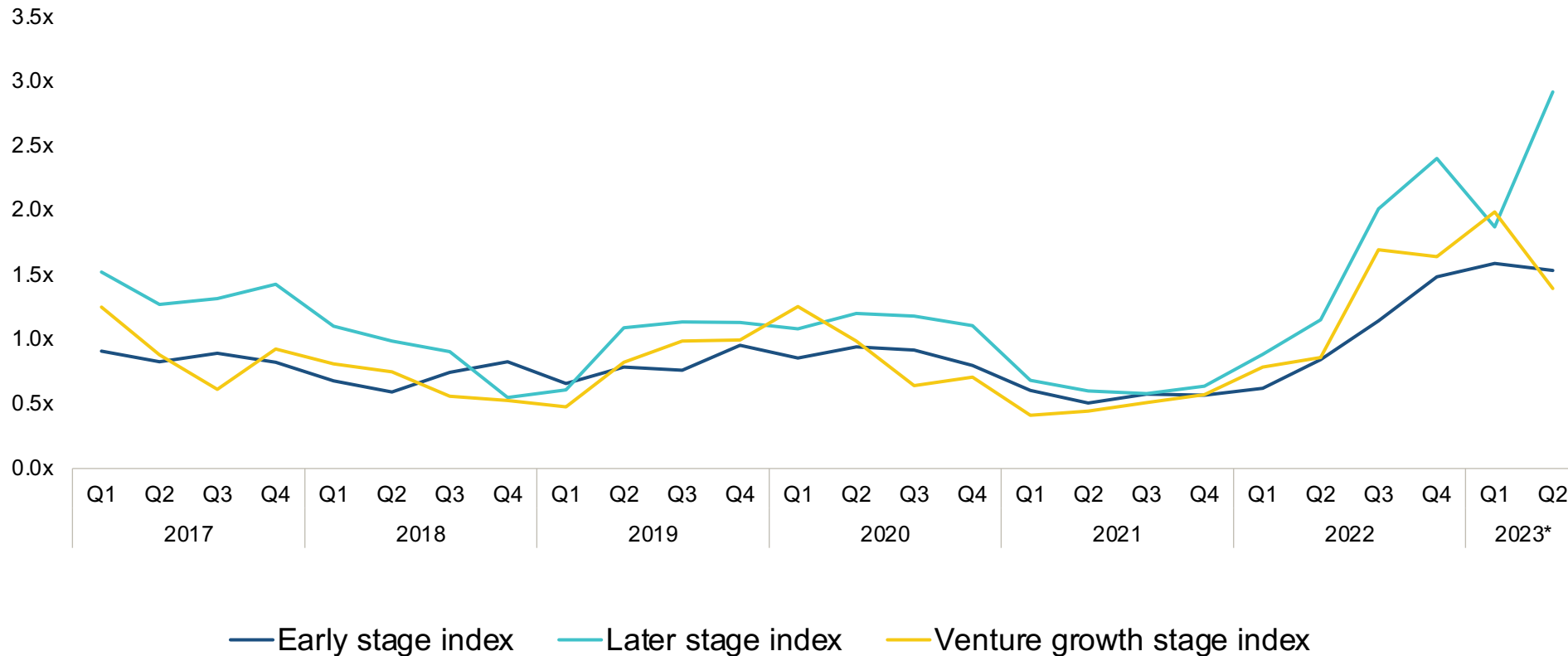
■ Smoothed venture growth company count

2015 company inventory figure: as of 1/31/2015

Source: PitchBook | Geography: U.S.  
\*As of 6/30/2023

50,924  
actively VC-backed  
US companies as  
of Q2 2023

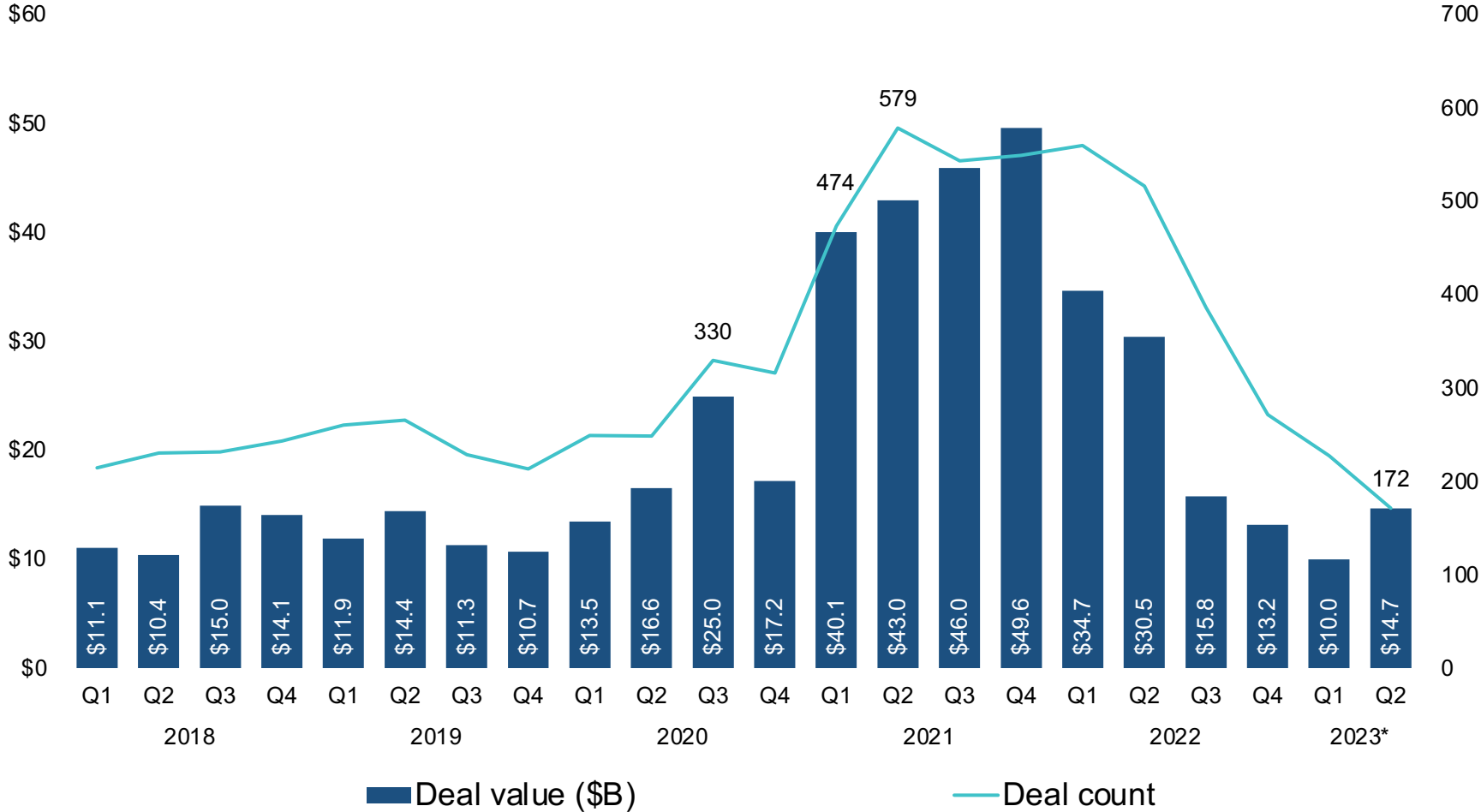
# Capital demand to supply ratio



**2.92X**  
 Later-stage  
 demand as of Q2  
 2023, highest  
 observed since  
 2010

Source: PitchBook | Geography: U.S.  
 \*As of 6/30/2023

# US VC deal activity with crossover investors



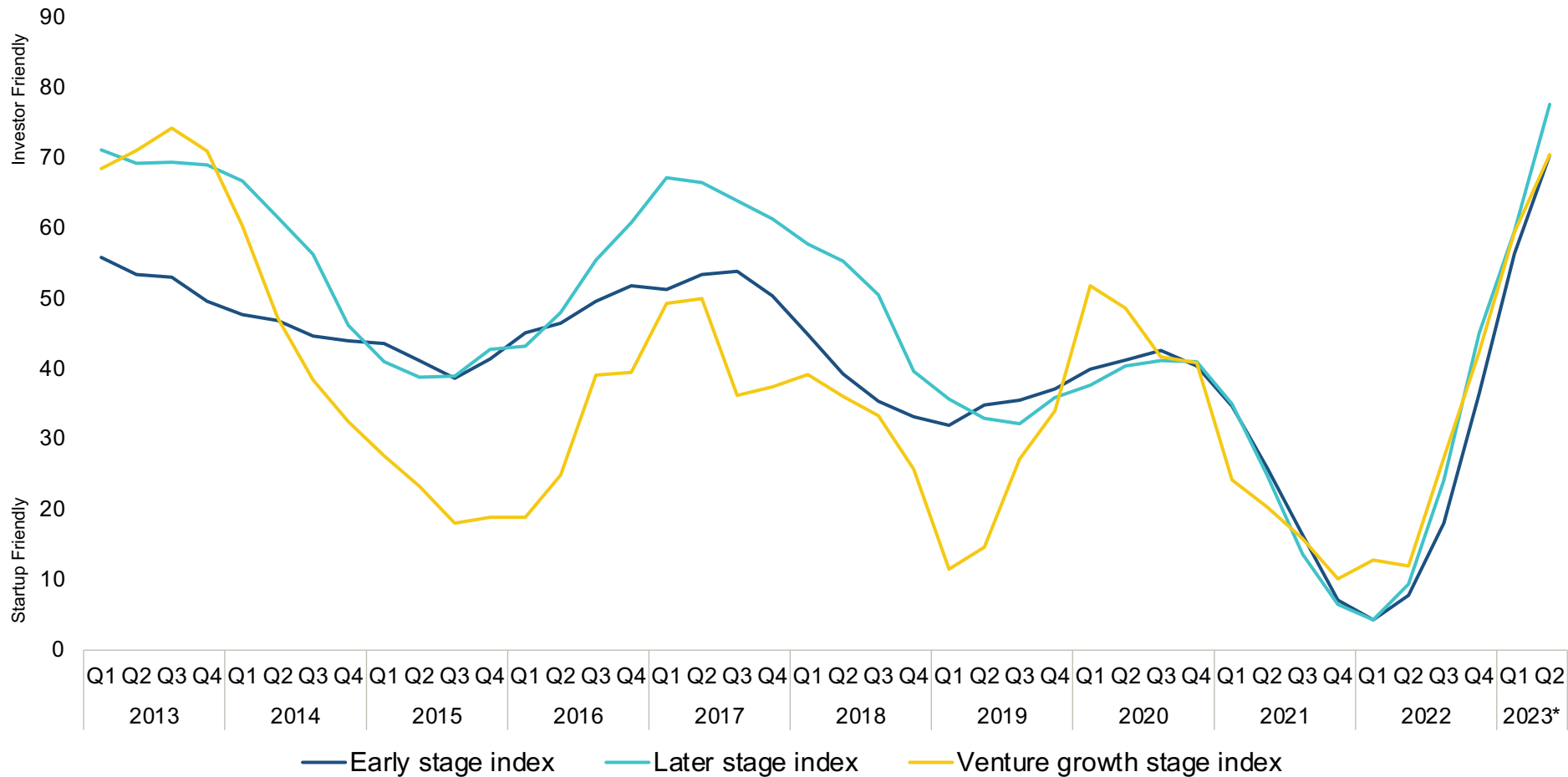
172

US VC deals in Q2 2023 had crossover investor participation, lowest quarterly deal count since 2017

Source: PitchBook | Geography: U.S.  
\*As of 6/30/2023

# Investor vs startup friendliness

US VC dealmaking indicator

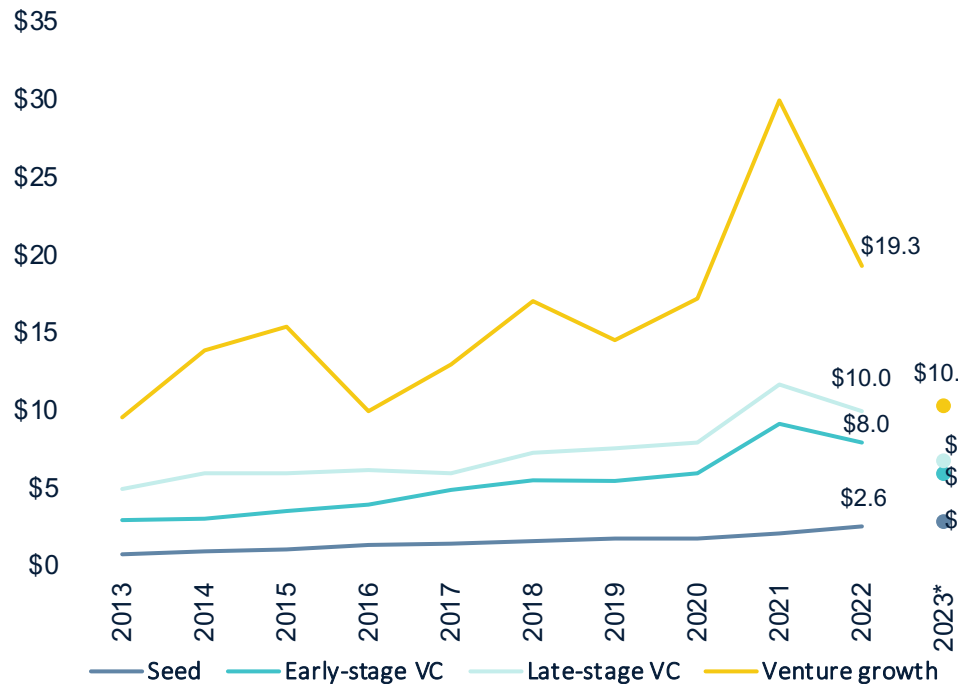


Q2 has been the most investor-friendly environment observed in a decade

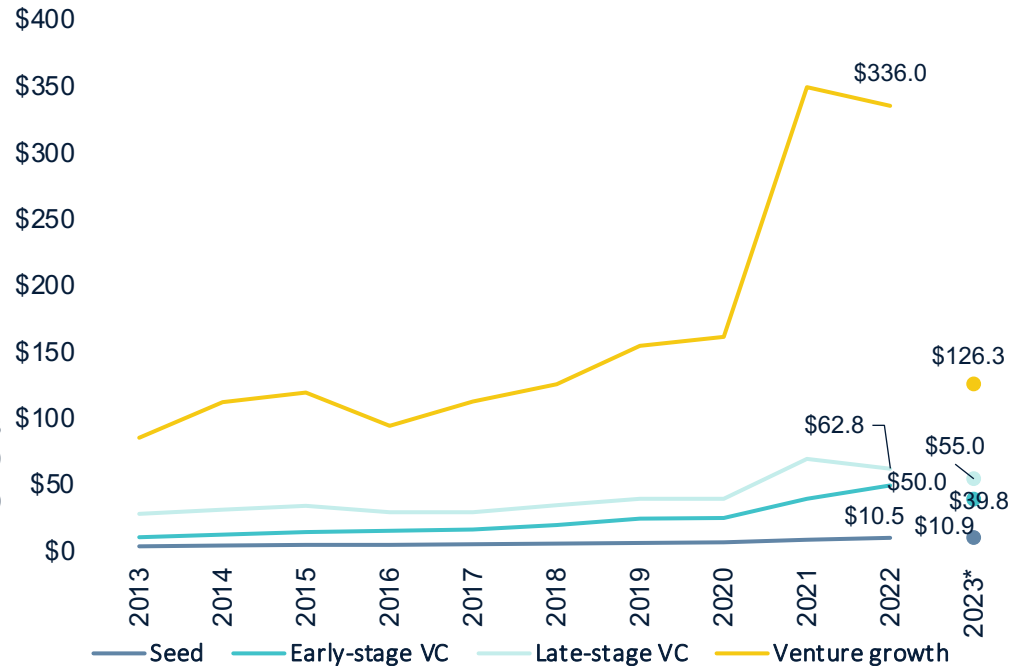
Source: PitchBook | Geography: U.S.  
\*As of 6/30/2023

# US VC median deal size and pre-val (\$M) by stage

US VC median deal size (\$M)

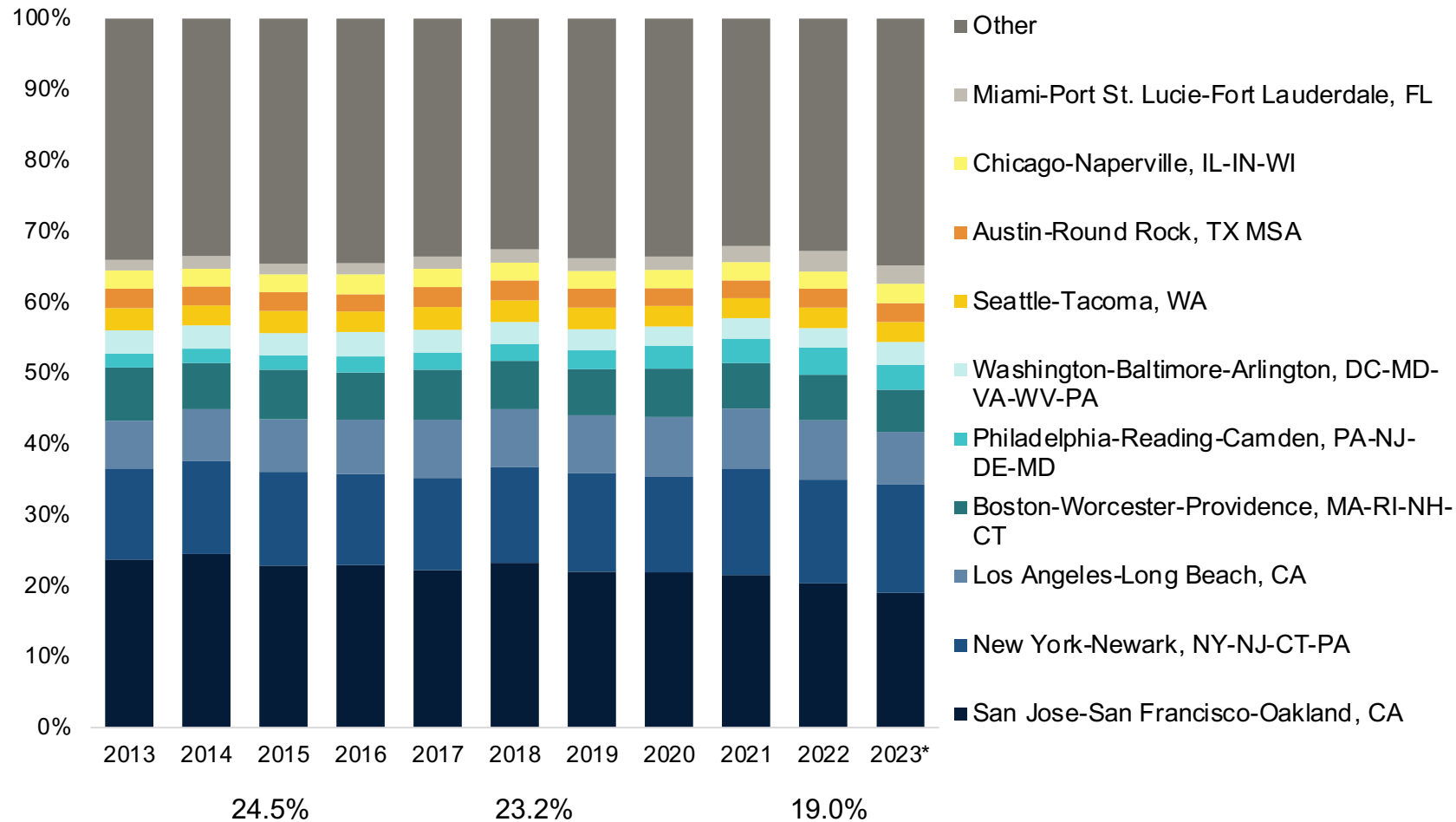


US VC median pre-money valuation (\$M)



Deal sizes and valuations decline across early-, late- & venture growth stages while seed deal sizes and valuations ascended further

# Share of US VC deal activity by region (CSA/MSA)



19.0%  
Q1 and Q2 deal count recorded from the Bay Area, lowest observed in a decade

Source: PitchBook | Geography: U.S.  
\*As of 6/30/2023

# Panel discussion



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# Q & A