WHAT IS CB INSIGHTS?

CB Insights is a tech market intelligence platform that analyzes millions of data points on venture capital, startups, patents, partnerships and news mentions to help you see tomorrow’s opportunities, today.

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“We use CB Insights to find emerging trends and interesting companies that might signal a shift in technology or require us to reallocate resources.”

Beti Cung, Corporate Strategy, Microsoft
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   Regtech
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   Alternative Lending
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61  Appendix:
   Regional Spotlight: Latin America
   Major Markets Financing Trends
   Top Fintech Deals Q2’19
   Most Active Fintech Investors Q2’18 – Q2’19
   Methodology
Every continent saw deals dip in Q2’19: North America, Asia, and Africa each saw 5-quarter lows for fintech deals. North America saw deals drop 21% on a quarterly basis. However, funding to North American fintech surged on the back of 15 mega-rounds in Q2’19 that also minted 3 of the 4 new US-based fintech unicorns.

India tops China in fintech deal activity for the first time ever: India saw 23 deals to VC-backed fintech companies, topping China by 8 deals. Fintech funding in China hit $375M, narrowly beating India, which saw $350M invested.

Latin America becomes one of the fastest-growing regions for fintech funding: LatAm topped both China and India for fintech funding in Q2’19, with 23 deals worth $481M. Q3’19 has already seen a $400M mega-round to Brazil-based digital challenger bank NuBank.

Asia deals and funding on track to fall below 2018 total: Asia saw 82 deals worth $1.1B in Q2’19 — both close to historical lows.

Note: This report focuses on equity rounds to VC-backed fintech companies. This report does not cover companies funded solely by angels, private equity firms, or any debt, secondary, or line of credit transactions. All data is sourced from CB Insights.
Marketplace lending and alternative underwriting platforms

Payments processing, card developers, and subscription billing software tools

Tools to manage bills and track personal and/or credit accounts

Audit, risk, and regulatory compliance software

Companies leveraging blockchain technologies for financial services

Companies selling insurance digitally or providing data analytics and software for (re)insurers

Sales & trading, analysis, and infrastructure tools for financial institutions

Investment and wealth management platforms and analytics tools

International money transfer and tracking software

Mortgage lending, digitization, and financing platforms

WHAT FINTECH COVERS
Global fintech saw 838 deals worth $15.1B in H1’19

Annual global VC-backed fintech deals and financing, 2015 – Q2’19 ($B)
Q2’19 saw VC-backed fintech deals drop to lowest total since Q4’16

Quarterly global VC-backed fintech deals, Q2’15 – Q2’19 ($M)
Despite a drop-off in deals, funding to VC-backed fintech companies grew 24% QoQ in Q2'19

Quarterly global VC-backed fintech financing, Q2'15 – Q2'19 ($M)

Note: Q2'16 and Q2'18 spiked on the back of mega-round investments to Ant Financial including a record $14B deal in Q2'18
Europe maintained the lead over Asia in fintech funding in H1’19

Global VC-backed fintech funding by continent, Q2’18 – Q2’19 ($M)

- Europe: $3,651.8 (Q4’18) - $5,332.8 (Q2’19)
- Asia: $1,094.4 (Q1’19) - $5,332.8 (Q2’19)
- North America: $3,148.5 (Q3’18) - $3,808.4 (Q1’19)
- South America: $832.7 (Q1’19) - $886.6 (Q2’19)
- Africa: $76.9 (Q1’19) - $943 (Q2’18)
- Australia: $30.3 (Q1’19) - $204.7 (Q2’18)

*Ant Financial's $14B round in Q2'18 was excluded from the chart represented on this slide for illustrative purposes*
Deals dip in every continent in Q2’19 as North America, Asia, and Africa see 5-quarter lows

Global VC-backed fintech deals by continent, Q2’18 – Q2’19

Note: Charts not to scale
Mega-rounds boosted late-stage fintech deal share to a new 5-quarter high in Q2’19

Annual deal share by stage to global VC-backed fintech companies, Q2’18 – Q2’19

<table>
<thead>
<tr>
<th></th>
<th>Q2’18</th>
<th>Q3’18</th>
<th>Q4’18</th>
<th>Q1’19</th>
<th>Q2’19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Early-Stage</td>
<td>6%</td>
<td>5%</td>
<td>20%</td>
<td>10%</td>
<td>24%</td>
</tr>
<tr>
<td>Mid-Stage</td>
<td>5%</td>
<td>20%</td>
<td>22%</td>
<td>24%</td>
<td>24%</td>
</tr>
<tr>
<td>Late-Stage</td>
<td>16%</td>
<td>17%</td>
<td>12%</td>
<td>9%</td>
<td>11%</td>
</tr>
<tr>
<td>Other</td>
<td>61%</td>
<td>55%</td>
<td>63%</td>
<td>61%</td>
<td>55%</td>
</tr>
</tbody>
</table>

Note: Early-Stage includes Seed/Angel and Series A, Mid-Stage includes Series B and Series C, Late-Stage includes Series D, Series E+, Growth Equity, and Private Equity
Q2’19: 25 fintech mega-rounds total $5B

Global number of fintech mega-rounds ($100M+), Q2’18 – Q2’19
GLOBALLY THERE ARE

48 FINTECH UNICORNS

VALUED, IN AGGREGATE, AT

$187 BILLION
48 fintech unicorns valued at $187B

Global VC-backed fintech companies with a private market valuation of $1B+ (8/8/19)
7 new fintech unicorn births in Q2’19 and 2 in Q3’19
Q2’19 Fintech Sector Trends
The 1M+ fintech club by customer accounts

Since launch, these startups have added 230M+ combined accounts, (8/1/19) (accounts, M)

Note: Chart excludes startups in China and India that have mass scale in part due to larger population sizes
Sources: Company press releases and publications
Digital-first “challenger banks” make up the biggest cohort of the fastest growing fintech startups

Combined, challenger banks have tallied up 30M+ accounts, (8/1/19) (accounts, M)

Note: Chart excludes startups in China and India that have mass scale in part due to larger population sizes
Sources: Company press releases and publications
Challenger bank funding surpasses 2018's record year-end total, boosted by unicorn funding rounds

**Global challenger banks VC-backed financing trends, Q1’18 – Q3’19YTD (8/1/19) ($M)**

- **Q1’18**: $752
- **Q2’18**: $577
- **Q3’18**: $442
- **Q4’18**: $481
- **Q1’19**: $842
- **Q2’19**: $649
- **Q3’19**: $997

(CB Insights)
NuBank is a mobile-only “challenger bank” focused on the 100M+ unbanked and underbanked people in LatAm. NuBank reports supporting 12M customers across credit cards and NuCanta, the firm’s checking account business launched in 2018 following regulatory approval for a charter.

In July 2019, NuBank raised a $400M Series F at a $10B valuation. NuBank also opened the company’s second headquarters in Mexico and reportedly counts over 850 employees.

**Select Investors:**

Tencent, Goldman Sachs, Sequoia Capital, Tiger Global Management, Ribbit Capital, Thrive Capital, DST Global, Founders Fund, QED, Redpoint Ventures, TCV
Uala is a virtual banking app that offers a prepaid MasterCard card and supporting app.

Uala is focusing on enabling digital commerce and largely appeals to unbanked consumers by creating an alternative to access popular online services like Netflix.

In April, Tencent made a corporate minority investment in Uala of an undisclosed amount. In July, the company crossed 1M reported accounts.

SELECT INVESTORS:

Tencent, Goldman Sachs Investment Partners, Jefferies Financial Group, Monashees+, Point72 Ventures, Ribbit Capital
Mexico could be the next battleground for challenger banks for local, global, and nontraditional players.

**Total Funding:**
- **$7.4M** (Focus: B2C pre-paid debit cards and accounts)
- **$1.5M** (Focus: B2C perks and reward debit cards)
- **$0.08M** (Focus: B2C debit cards for kids)
- **$0.02M** (Focus: B2C pre-paid debit cards and accounts)
- **$7.4M** (Focus: B2B debit cards for employees)
- **$1.5M** (Focus: B2C perks and reward debit cards)
- **$0.08M** (Focus: B2C debit cards for kids)
- **$0.02M** (Focus: B2C pre-paid debit cards and accounts)
- **$7.4M** (Focus: Credit and debit cards and bank accounts)

**May 2019:**
- Opened Mexico HQ
- Launched bank accounts for drivers
- Credit and debit cards and bank accounts

**May 2019:**
- Launched bank accounts for drivers
- Credit and debit cards and bank accounts

**Focus:**
- B2C pre-paid debit cards and accounts
- B2C perks and reward debit cards
- B2C debit cards for kids
- B2C pre-paid debit cards and accounts
- B2B debit cards for employees
- Credit and debit cards and bank accounts

**Images:**
- Albo
- Banco Fondecadora
- Vexi
- Flink
- NuBank
- Uber
As time to market decreases, more fintech firms are pushing into banking products

Timeline of digital banking products by launch date

Source: CB Insights business relationship data
Tech cos and fintechs will continue to forge small bank partnerships to launch debit cards

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>PARTNER BANK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Betterment</td>
<td>GBC (German Banking Company)</td>
</tr>
<tr>
<td>wealthfront</td>
<td>green dot</td>
</tr>
<tr>
<td>STASH</td>
<td>Lincoln Savings Bank</td>
</tr>
<tr>
<td>acorns</td>
<td>AXOS Bank</td>
</tr>
<tr>
<td>N26</td>
<td>CFSB Community Federal Savings Bank</td>
</tr>
<tr>
<td>TransferWise</td>
<td>MIDDLESEX FEDERAL</td>
</tr>
<tr>
<td>NOVO</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Square</td>
<td>SuttonBank</td>
</tr>
<tr>
<td>Cash App</td>
<td>Lincoln Savings Bank</td>
</tr>
<tr>
<td>Uber</td>
<td>green dot</td>
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<tr>
<td>PayPal Venmo</td>
<td>The Bancorp</td>
</tr>
<tr>
<td>chime</td>
<td>Metropolitan Commercial Bank</td>
</tr>
<tr>
<td>Current</td>
<td>EVOLVE bank &amp; trust</td>
</tr>
<tr>
<td>zero</td>
<td></td>
</tr>
</tbody>
</table>

Source: CB Insights business relationship data
Banking-as-a-Service utilities ramp up as more fintechs look to launch branded banking products

In April 2018, StoneCastle Partners and Q2 Holdings announced the launch of Cambr, merging Q2’s digital platform CorePro and StoneCastle’s digital deposit network of 800+ community banks and relationships with banks of record.

Green Dot leverages its bank, Green Dot Bank, to offer mobile banking capabilities to third-party providers.

In July 2019, Green Dot launched an in-house checking and high-yield savings account that may cannibalize its BaaS business.

BankMobile, Customers Bancorp’s digital division, grew initial distribution with students. It supports 2M accounts across 800 universities.

Now, it wants to capitalize on BaaS. Per Q2’19 earnings, total deposits to $890M, up 12.2% YoY, including $50M from the first white-label partnership.

Cross River Bank lets other companies offer banking products to its customers via its APIs.

Cross River is actively developing a BaaS product. In the interim, it is making strategic investments and partnerships.

Select Q2’19 Partner:

Betterment

Select Q2’19 Partner:

wealthfront

Select Q2’19 Partner:

T-Mobile

Select Q2’19 Acquisition:

Seed

Select Q1’19 Partner (UK):

Railsbank

Source: CB Insights public markets earnings call and partnerships data
BaaS is becoming a bigger trend on corporate earnings calls as banks look to reinvent models

Mentions of “Banking-as-a-Service” and “BaaS” on quarterly earnings calls

Who’s talking about BaaS?

“Green Dot invented banking-as-a-service”
—Steve Streit, Green Dot Founder & CEO

“Q2 Open is facilitating this banking-as-a-service ecosystem with several leading Fintechs, and we consider ourselves the leader in this space”
—Matt Flake, Q2 CEO

Others top mentions
Synapse’s APIs allow fintech developers to connect with banks to build financial services and for banks to automate and extend back-end operations.

Synapse is part of the broader banking-as-a-service trend taking hold in the industry. BaaS is the process of digitally connecting fintech companies to banks via APIs.

Synapse reportedly has 150 clients and 5M API requests daily, reaching 3M end customers. Clients include fintech startups such as Empower and Dave.com.

**SELECT INVESTORS:**

Andreessen Horowitz, Trinity Ventures, Core Innovation Capital
Regtech deals and funding dropped off in Q2’19 to just 19 deals worth $311M in funding

Global regtech VC-backed fintech financing trends, Q2’18 – Q2’19 ($M)
In Europe, regulations are a catalyst for fintech utilities that are building bank APIs to comply with open banking.

Select fintech startups leveraging open banking regulations in Europe.
Infrastructure players commoditize consumer data and will be the genesis of more fintech formation

Select Q2’19 deals and fintech partners

**TrueLayer**
- Lending
- Banking
- Credit Scoring
- Student Housing
- Incumbent

Q2’19 Financing:
- $35M Series C // UK

Licenses: AISP & PISP
Select Investors:
- Tencent Holdings, Anthemis, Temasek Holdings

---

**Token**
- Rent

Q2’19 Financing:
- $16.5M Series B // US & UK

Licenses: AISP & PISP
Select Investors:
- Octopus Ventures, EQT Ventures, Opera Tech Ventures, BNP Paribas

---

**tink**
- Payments
- Incumbent

Q2’19 Financing:
- $11M Series D-II // Sweden

Licenses: AISP & PISP
Select Investors:
- Insight Venture Partners, PayPal, SEB Ventures, ABN AMRO

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**YaPILY**
- Payments
- Travel Budgeting

Q2’19 Financing:
- $5.4M Seed // UK

Licenses: AISP & PISP
Select Investors:
- Holtzbrinck Ventures, LocalGlobe

---

European regulatory licenses: Account Information Service Provider (“AISP”) and Payment Initiation Service Provider (“PISP”)
And to scale and capitalize on open banking, they’re combining forces and resources

Select M&A transactions in H1’19

**Quovo Total Funding Pre-acquisition:** $20.95M

**Acquisition valuation:** $200M

Fresh from a $250M Series C investment in Q4’18, Plaid acquired US competitor Quovo in Q1’19. Quovo had an edge on Plaid in the US in wealth management where customers included robo-advisors like Wealthfront and incumbents like Vanguard.

In Q2’19, Plaid formally launched in Europe, leveraging Quovo’s existing Payment Initiation Service Provider (“PISP”) license with the UK’s FCA.

**Figo Total Funding Pre-merger:** $19M

**Finreach Total Funding Pre-merger:** Undisclosed

In Q1’19, Germany-based Figo and Finreach announced plans to merge. Figo provides data aggregation services for financial institutions and fintechs while Finreach specialized in digital account switching.

The deal is subject to approval from Germany’s Federal Financial Supervision Authority (BaFin). Figo is a registered AISP and PISP under BaFin.
Capital markets tech topped $1.98B on the back of mega-rounds from financial institutions in Q2’19

Global capital markets tech VC-backed fintech financing trends, Q2’18 – Q2’19 ($M)
Symphony offers a cloud-based messaging and collaboration platform.

The technology originated out of an internal messaging system at Goldman called LiveCurrent. As of June 2019, Symphony counted 430,000 customers spanning 405 companies in over 60 countries.

Q2’19 Funding
$165M Series E // Jun’19
Valuation $1.4B

HSBC, Hong Kong Exchanges and Clearing have jointly launched two pilot bots on Symphony’s platform to enable automation of margin call workflows

July 11, 2019
Trumid is a digital trading platform for corporate bonds. Trumid's total trade volume increased almost 150% in 2018, according to the company.

As of January 2019, Trumid had 413 institutions onboarded across both the sell side and buy side.

Trumid acquired competing corporate bond trading platform Electronifie in Q1'17.

Trumid does not currently provide services to buy- or sell-side institutions in Asia, but it says that "plans are underway for the Asian market," with Hillhouse Capital and Singapore Exchange as investors.
Openfin is an HTML5 container that powers B2B desktop applications for financial services applications.

Open reports its “OS for finance” is powering 200,000 desktops covering 1,500 global banks and firms across 60 countries.

Customers include fintech startups as well as financial institutions like NEX and hedge funds like Citadel.

Q2’19 Funding
$17M Series C // May’19

SELECT FINANCIAL INVESTORS

JP Morgan Chase & Co.  Barclays  Wells Fargo
Startups disrupting IPOs and exchanges picked up funding and regulatory approvals

**Q2’19 Development:** In May, the Long-Term Stock Exchange (LTSE) gained SEC approval to be an exchange. Following approval, the LTSE proposed listing standards to support long-term value creation for companies.

**Last Funding:** $18.7M Seed in July 2016

**Select Investors:** Founders Fund

---

**Q2’19 Funding:** $300M Series E // $1.7B Valuation

**Select Investors:** Andreessen Horowitz, Goldman Sachs PSI, Tiger Global, Lightspeed, Thrive

Carta’s cap table management products may gain additional traction as more startups stay private for longer. Some of its customers have also gone public while continuing to use the service, underscoring the opportunity to reimagine the process of going public. CartaX, a secondary market, is one option, building a retail brokerage or a licensed rival exchange could be another.

---

**Q2’19 Funding:** $9.4M Series A

**Select Investors:** Green Visor Capital

OneChronos has been operating under the radar to focus on building underlying algorithms for a new type of exchange using “Combinatorial Call Auctions”. Auctions match buyers and sellers in a pure agency capacity. OneChronos is focusing on US equities first. Downstream that could expand as investor demand for other asset classes, like options or fractional investments, pickup...
Wealth tech deals and funding dropped to 35 deals worth $421M, a 5-quarter low

Global wealth tech VC-backed deals and financing trends, Q2’18 – Q2’19 ($M)
Goldman Sachs targets wealth management with $750M acquisition of United Capital

United Capital is a wealth management firm for high net worth individuals (HNI) with $1M—$15M in investable assets. United Capital has around $25B assets under management (AUM), services 220 financial advisers, and operates across 95 offices.

Acquiring United Capital gives Goldman the technology prowess to service HNI customers that have less investable assets than typical for this demographic, opening up a new segment of the market. In time, United Capital’s services could be added on top of Marcus, helping to keep assets under Goldman Sachs’ management.
Advisor tech startups target financial planning with highly customizable UX/UI and suite of products

**Q2’19 Financing: $7.5M Series A**
**Focus:** Multi-asset portfolio design and analytics with a suite of self-service tools
**Select Investors:** Illuminate Ventures, 8VC, CreditEase Fintech Fund

**Q2’19 Financing: $7.96M Series B**
**Focus:** White-label wealth management suite for banks, credit unions, and advisors
**Select Investors:** Operative Capital, Sorenson Ventures

**Q2’19 Financing: $30M Series B**
**Focus:** Retirement investing and planning for RIAs and employers with multiple integrations
**Select Investors:** Primary Venture Partners, BNY Mellon, FinTech Collective, Point72 Ventures, Nationwide Ventures, Allianz Life Ventures, Franklin Resources, Goldman Sachs PSI
More wealth techs want to democratize access to assets and diversification options for investors

**STARTUP OPTIONS**
- Q3’19 Funding: $6M Series A
  - Select Investors: Social Leverage, Elefund CoVenture, The Weekend Fund, Rucker Park Capital

**MUSIC ROYALTIES**
- Q2’19 Funding: $1M Undisclosed
  - Select Investors: Grotech Ventures, IDEA Fund Partners

**GOLD**
- Q2’19 Funding: $6.27M Series A
  - Select Investors: Citadel Securities, Jump Capital, PEAK6

**FUTURES**
- Q2’19 Funding: $10M Seed
  - Select Investors: Allianz Life Ventures, William Blair, Piton Investment Management

**STRUCTURED NOTES**
- Q2’19 Funding: $12M Series B
  -
Wealth tech is spreading to emerging markets with growing middle classes like Latin America

Select wealth tech deals in Latin America in H1’19

**BRAZIL**
- **warren**
  - Last Funding: $6.3M Series A Q1’19

**BRAZIL**
- **magnetis**
  - Last Funding: Corporate Minority Q2’19

**MEXICO**
- **Net Worth Consulting**
  - Last Funding: $0.06M Seed Q2’19

**BRAZIL**
- **REnda Fixa**
  - Last Funding: $0.26M Angel Q1’19

**COLOMBIA**
- **UALET**
  - Last Funding: Undisclosed Seed Q1’19
Alternative lending funding neared $2.5B across 49 deals, both up QoQ in Q2’19

Global alternative lending tech VC-backed fintech financing trends, Q2’18 – Q2’19 ($M)
SoFi raised a $500M Series G to accelerate its push to full-scale banking and topped 7.5M accounts.

### FROM LENDING TO REBUNDLING FIN SERVICES

**SoFi Press Releases**

- **SoFi fills out insurance offerings together with Lemonade and Root Insurance**
  - 4/15/2019

- **SoFi introduces Stock Bits: Fractional share buying made easy**
  - 7/8/2018

- **SoFi releases SoFi Gig Economy ETF (GIGE) and SoFi 50 ETF (SFYF)**
  - 5/8/2019

- **SoFi refreshes home loans, making home buying painless and paperless**
  - 3/25/2019
Fintech firms are unbundling the paycheck through employers to alleviate and prevent predatory debt.

- Direct Deposits
- Payroll Flexibility
- Loan Servicing
- Pre-Tax Spending
- ALICE
- Payoff
- Scratch
- Bend
- Starship
- Payday Advance
- Earnin
- Salary Finance
- Neyer
- Gusto
- Chime
- Financial Healthcare
- Financial Literacy
- PTO Lending
- Honeybee
- B2C Payday Advance
- Educate
- Onward
- LearnLux
- Smartpath
- Dave
- Payfully
- B2C Payday Advance
- Even
- DailyPay
- PayActiv
- Instant
- Evenly
- Wellstream
- ZayZoon
- Goodly
- Tuition.io
- FutureFuel
- Peoplejoy
- Guild
- Cisinsights
- Payfully
- Creditoo
- Bright
- Fig Loans
- Possible
- Ali Crédito
DISRUPTING PAYDAY THROUGH EMPLOYERS

Startups are partnering with employers to offer salary-linked benefits

Q2’19 Funding: $1.16M Series C in May’19

Select Investors: Chiratae Ventures

India-based EarlySalary provides customers a small bridge loan until their next paycheck and also works through employers to provide salary-linked benefits. EarlySalary uses a social and online scoring technology-linked risk assessment to underwrite the loans.

The company reports 5M app downloads.

Q2’19 Funding: $32.8M Series C in April’18

Select Investors: Blenheim Chalcot, Legal & General

UK-based Salary Finance offers installment loans that deducts loan repayments directly from an employee’s salary. In December 2018, it launched a payday advance service allowing employees to access earned income.

In April 2019, SoFi co-founder Dan Macklin joined Salary Finance as CEO of its US arm following its Series C investment.
B2C payday advance apps emerge as alternative to payday loans or incurring overdraft fees

**Q2’19 Funding:** $110M Debt-II

**Select Investors:** Victory Park Capital, NYCA JP Morgan Partners, CreditEase Fintech

**Business model:** Charges $1 per month to advance up to $100 per paycheck without a credit check or interest.

**Traction:** 3.5 users, 1M+ installs on Google Play

---

**Q2’19 Funding:** Undisclosed Series A

**Valuation:** $150M

**Select Investors:** Lightspeed, NYCA Partners, Canaan Partners, DCM Ventures

**Business model:** Charges $10 per month to advance up to $250 at a time without a credit check or interest.

**Traction:** 300K+ members, 100K+ installs on Google Play

---

**Q1’19 Funding:** $10.5M Series A

**Select Investors:** Canvas Ventures, Unlock Venture Partners

**Business model:** Fees vary by state starting at 15% per $100 up to $500 at a time without a credit check or interest.

**Traction:** 50K+ loans processed, 100K+ installs on Google Play
Insurtech deals and funding dipped in Q2’19, but funding was still well above 2018 levels.

Global insurtech VC-backed fintech financing trends, Q2’18 – Q2’19 ($M)
SoftBank leads top three largest deals in global insurance tech landscape in Q2’19

**Lemonade**

**Q2’19 Funding:** $300M Series D  
**Select Investors:** SoftBank, Allianz X, GV, Thrive Capital  
**Business model:** Licensed insurance carrier that keeps a fixed fee of customer’s home insurance premiums  
**Traction:** $58M in gross written premium in 2018

**Collective Health**

**Q2’19 Funding:** $205M Series E  
**Select Investors:** SoftBank, Mubadala Ventures, Founders Fund, DFJ Growth  
**Business model:** Third-party administrator of health insurance for self-funded employers  
**Traction:** 50 corporate customers comprising 200,000 members

**Policybazaar**

**Q2’19 Funding:** $152M Series F  
**Select Investors:** Softbank, Info Edge, True North, Tiger Global  
**Business model:** Digital insurance aggregator that earns revenue from lead generation and policy sales  
**Traction:** Largest insurance aggregator in India with 100M annual visitors
Health IQ is a Mountain View-based life insurance managing general agent that targets “health conscious” consumers and offers discounted term life insurance policies based on an online health literacy test and proof of fitness level.

Health IQ has reportedly written close to $21B in life insurance coverage over the last three years.

Investors include Aquiline Technology Growth, Andreessen Horowitz, Felicis Ventures, and Ribbit Capital.
APPENDIX:
Q2’19 global fintech financing trends
Geographic Trends
LATIN AMERICA FINTECH VC-BACKED EQUITY FUNDING IN Q2’19:

$481 MILLION

ACROSS

23 DEALS
Latin America remains a top growth market for fintech, and funding in Q2’19 saw a 6-quarter high.

Latin America VC-backed fintech financing trends, Q1’18 – Q2’19 ($M)

- Q1’18: $314
- Q2’18: $108
- Q3’18: $34
- Q4’18: $242
- Q1’19: $72
- Q2’19: $481
Latin America fintech funding surpassed both China and India and deals surpassed China, both a first for LatAm

Global VC-backed fintech funding by region (Latin America vs China vs India), Q2’18 – Q2’19, ($M)

*Ant Financials’ $14B investment removed for illustrative purposes
Fintech is driving startup growth in LatAm

Most well-funded VC-backed tech startups that have raised at least $1M of equity funding since 2014

- **Total Funding** $147.4M  
  **Country** Mexico

- **Total Funding** $33M  
  **Country** Chile

- **Total Funding** $64M  
  **Country** Argentina

- **Total Funding** $10.3M  
  **Country** Uruguay

- **Total Funding** $4M  
  **Country** Puerto Rico

- **Total Funding** $20.5M  
  **Country** Barbados*

*Excluded from LatAm funding totals
ASIA FINTECH VC-BACKED EQUITY FUNDING IN Q2’19:

$1.1 BILLION ACROSS 82 DEALS
Asia fintech deals and funding will fall short of 2018’s record as a result of a pullback in China

Asia VC-backed fintech financing trends, 2015 – Q2’19 ($B)

*Spike in 2018 was driven by Ant Financials’ record breaking $14B round
India takes the lead as the top market in Asia for fintech deals for the first time ever.

China saw deals drop to a new 5-quarter low of 15 deals, down 81% from Q2’18.

India also saw a slight dip to 23 deals. Despite both India and China seeing a pull-back in deals, India did not drop as sharply as China, which helped elevate India as the top market for fintech deals in Q2’19.
In Q2’19, China reclaimed the position as the top country in Asia for funding from India.

China edged ahead of India with $375M of fintech funding in Q2’19, despite a drop-off in deals.

India saw funding top $350M, growing for the second consecutive quarter.

Despite a strong quarter for funding, India lost the lead over China as Asia’s top funding hub.

*Ant Financials’ $14B investment in Q2’18 is removed for illustrative purposes.
US FINTECH VC-BACKED EQUITY FUNDING IN Q2’19:

$5.1 BILLION

ACROSS

143 DEALS
US fintech deals cooled down in the first six months of 2019, but funding could top 2018’s high.

US VC-backed fintech financing trends, 2015 – Q2’19 ($B)
US saw 14 mega-round ($100M+) investments in Q2’19 worth $3.3B

The US saw funding top a new quarterly high of $5.1B in Q2’19. However, deals slipped to 143, the lowest point since Q4’16.

The quarter continued to see mega-rounds go to scale ups like unicorns Sofi, Affirm, and Symphony. Mega-rounds also minted 3 of the 4 new US-based unicorns: Marqeta, Lemonade, and Carta. The US took 8 of the top 10 deals in Q2’19.
Q2’19 funding sets a new high for New York and California

California saw 56 deals in Q2’19, worth $2.9B.

New York saw 36 deals in Q2’19 worth $1.47B. UiPath, headquartered in NY, took the top global fintech deal with a $568M Series D.
EUROPE FINTECH VC-BACKED EQUITY FUNDING IN Q2’19:

$1.5 Billion

ACROSS

107 DEALS
Europe deals and funding on track to top new highs on the back of mega-rounds to fuel market growth

Europe VC-backed fintech financing trends, 2015 – Q2’19 ($B)
UK funding surges to new quarterly record

The UK continued to lead as the top fintech market in Europe in 2019. Funding set a new quarterly record of $892M, but deals dropped to 33.

Funding surged on the back of a series of mega-round deals to unicorns including Monzo, Greensill, and Transferwise, as well as new unicorns including Ivalua and Checkout.com.
Europe beats Asia as the second-top market for fintech deals and funding in Q2'19 and in H1'19

Global VC-backed fintech funding by region (Europe vs Asia), Q2'18 – Q2'19 ($M)

<table>
<thead>
<tr>
<th>Region</th>
<th>Q2'18</th>
<th>Q3'18</th>
<th>Q4'18</th>
<th>Q1'19</th>
<th>Q2'19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>159</td>
<td>152</td>
<td>127</td>
<td>134</td>
<td>107</td>
</tr>
<tr>
<td>Asia</td>
<td>87</td>
<td>108</td>
<td>119</td>
<td>110</td>
<td>82</td>
</tr>
</tbody>
</table>

*Ant Financials’ record breaking $14B round in Q2’18 was removed for illustrative purposes*
Biggest Deals & Most Active Fintech Investors
### US fintech unicorns took 8 of 10 top deals in Q2’19

The top 10 deals to VC-backed fintech companies were all $200M+ mega-round investments

<table>
<thead>
<tr>
<th>Company</th>
<th>HQ</th>
<th>Deal Date // Amount Raised</th>
<th>Total Disclosed Funding</th>
<th>Select Investors</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UiPath</strong></td>
<td>NY</td>
<td>Apr’19 // $568M</td>
<td>$1.02B ($7.1B Valuation)</td>
<td>Accel, capitalG, Sequoia Capital, T. Rowe Price, Wellington Management, Coatue, Dragoneer, IVP, Madrona Ventures</td>
<td>Robotic process automation software</td>
</tr>
<tr>
<td><strong>SoFi</strong></td>
<td>CA</td>
<td>May’19 // $500M</td>
<td>$2.69B ($4.8B Valuation)</td>
<td>Qatar Investment Authority, XL Innovate, Third Point Ventures, Marketplace Funds</td>
<td>Student lending</td>
</tr>
<tr>
<td><strong>affirm</strong></td>
<td>CA</td>
<td>Apr’19 // $300M</td>
<td>$1.03B ($2.9B Valuation)</td>
<td>Lightspeed, Ribbit Capital, Spark Capital, Thrive, Founders Fund, Wellington Management, Sound Ventures, Fidelity Investments,</td>
<td>POS consumer lending and alternative financing</td>
</tr>
<tr>
<td><strong>Lemonade</strong></td>
<td>NY</td>
<td>Apr’19 // $300M</td>
<td>$480M ($2B Valuation)</td>
<td>Google Ventures, General Catalyst, SoftBank, Thrive, Allianz X</td>
<td>Internet P+C digital insurer</td>
</tr>
<tr>
<td><strong>carta</strong></td>
<td>CA</td>
<td>May’19 // $300M</td>
<td>$444M ($1.7B Valuation)</td>
<td>Andreessen Horowitz, Thrive Goldman Sachs PSI, Menlo Ventures, Lightspeed, Meritech, Tiger Global Management'</td>
<td>Cap table management for private markets</td>
</tr>
</tbody>
</table>
# 4 unicorns were minted in the top 10 deals in Q2’19

The top 10 deals to VC-backed fintech companies were all $200M+ mega-round investments

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<th>Select Investors</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marqeta</td>
<td>CA</td>
<td>May’19 // $260M</td>
<td>$376.3M ($2B Valuation)</td>
<td>Accel, capitalG, Sequoia Capital, T. Rowe Price, Wellington Management, Coatue, Dragoneer, IVP, Madrona Ventures</td>
<td>Open API payment card issuing platform</td>
</tr>
<tr>
<td>creditas</td>
<td>Brazil</td>
<td>Jun’19 // $231M</td>
<td>$312.9M ($750M Valuation)</td>
<td>Qatar Investment Authority, XL Innovate, Third Point Ventures, Marketplace Funds</td>
<td>Alternative internet lender</td>
</tr>
<tr>
<td>Collective Health</td>
<td>CA</td>
<td>Jun’19 // $205M</td>
<td>$434M</td>
<td>Google Ventures, General Catalyst, SoftBank, Thrive, Allianz X</td>
<td>Tech-enabled health benefits</td>
</tr>
</tbody>
</table>
## The most active fintech VCs from Q2’18 – Q2’19

By unique fintech company investments (new or follow-on)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Investor</th>
<th>Select Fintech Investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>500 startups</td>
<td>Albert, Clearcover, EASY KNOCK, peoplefund, EMQ, Back Office, YayPay, sarwa</td>
</tr>
<tr>
<td>2</td>
<td>a16z</td>
<td>carta, coinbase, stripe, DevotedHealth, PLAID, cross river, Synapse</td>
</tr>
<tr>
<td>3</td>
<td>Ribbit Capital</td>
<td>Revolut, Coalition, Razorpay, ualá, ROOT, BREX, affirm</td>
</tr>
<tr>
<td>4</td>
<td>Accel</td>
<td>monzo, WorldRemit, UiPath, scripbox, Cover fox, TESSIAN, Money View</td>
</tr>
<tr>
<td>5</td>
<td>salesforce ventures</td>
<td>wefox, runa, blend, GO CARDLESS, Future Fuel, ELLEVEST</td>
</tr>
</tbody>
</table>
## The most active fintech VCs from Q2’18 – Q2’19

By unique fintech company investments (new or follow-on)

<table>
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<th>Rank</th>
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<th>Select Fintech Investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>QED Investors</td>
<td>Ocrolus, ARACHNYS, konfio, WAGESTREAM, roger, XERPA, Rabbet</td>
</tr>
<tr>
<td>7</td>
<td>flourish</td>
<td>chime, neon, albo, Lidya, cignifi, zest</td>
</tr>
<tr>
<td>8</td>
<td>CEFIF</td>
<td>cross river, branch, FIGURE, fair, wefox</td>
</tr>
<tr>
<td>9</td>
<td>anthemis group</td>
<td>TRUELAYER, FLOCK, Rally Rd., yulife</td>
</tr>
<tr>
<td>9</td>
<td>Bessemer Venture Partners</td>
<td>toast, Bread, bright HEALTH, MAMBU</td>
</tr>
<tr>
<td>9</td>
<td>BEENEXT</td>
<td>Open, BharatPe, smallcase, olta</td>
</tr>
</tbody>
</table>
Methodology

CB Insights encourages you to review the methodology and definitions employed to better understand the numbers presented in this report. If you have any questions about the definitions or methodological principles used, we encourage you to reach out to CB Insights directly. Additionally, if you feel your firm has been under-represented, please send an email to info@cbinsights.com and we can work together to ensure your firm’s investment data is up to date.

What is included:

— Equity financings into emerging fintech companies. Fundings must be put into VC-backed companies, which are defined as companies who have received funding at any point from venture capital firms, corporate venture groups, or super angel investors.

— Fundings of only private companies. Funding rounds raised by public companies of any kind on any exchange (including Pink Sheets) are excluded from our numbers, even if they received investment by a venture firm(s).

— Only includes the investment made in the quarter for tranched investments. If a company does a second closing of its Series B round for $5M and previously had closed $2M in a prior quarter, only the $5M is reflected in our results.

— Round numbers reflect what has closed — not what is intended. If a company indicates the closing of $5M out of a desired raise of $15M, our numbers reflect only the amount which has closed.

— Only verifiable fundings are included. Fundings are verified via various federal and state regulatory filings, direct confirmation with firm or investor, or press release.

— Previous quarterly VC reports issued by CBI have exclusively included VC-backed rounds. In this report, any rounds raised by VC-backed companies are included, with the exceptions listed.

What is excluded:

— No contingent funding. If a company receives a commitment for $20M subject to hitting certain milestones but first gets $8M, only the $8M is included in our data.

— No business development/R&D arrangements, whether transferable into equity now, later, or never. If a company signs a $300M R&D partnership with a larger corporation, this is not equity financing, nor is it from a venture capital firm. As a result, it is not included.

— No buyouts, consolidations, and/or recapitalizations. All three of these transaction types are commonly employed by private equity firms and are tracked by CB Insights. However, they are excluded for the purposes of this report.

— No private placements. These investments, also known as PIPEs (Private Investment in Public Equities), are excluded even if made by a venture capital firm(s).

— No debt/loans of any kind (except convertible notes). Venture debt or any kind of debt/loan issued to emerging startup companies, even if included as an additional part of an equity financing, is not included. If a company receives $3M with $2M from venture investors and $1M in debt, only the $2M is included.

— No government funding. Grants, loans, or equity financings by the federal government, state agencies, or public-private partnerships to emerging startup companies are not included.
WHERE IS ALL THIS DATA FROM?

The CB Insights platform has the underlying data included in this report

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