

# The Global Investment Report 2025/26

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How capital is evolving



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# Short on time?

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Here's a quick summary:

- **Global funding is evolving:** Collective global funding rounds increased to 54,408 in 2025, up 17.7% from a 2022 peak (66,126). While capital is limited compared to 2023, the data points to a modest rebound and an uneven recovery concentrated in select sectors.
- **North America dominates the investment market:** North America remains the leading continent for funding, with the United States maintaining its global lead. Canada and China emerged as growing challengers.
- **The UK is facing a pipeline problem:** The UK is a mature market facing stagnant growth, with a 13.7% drop in funding rounds compared to 2024. Within the UK, London remains dominant, but regional hubs in the north are becoming key investment locations.
- **Shift in funding structure:** Seed funding rounds accounted for the largest share of deals in 2025. There were large increases in Post-IPO Equity (+46.7%) and Post-IPO Debt (+44%). Moreover, global secondary rounds increased by 24% in 2025, with India seeing a 77% rise.
- **Business insights:** Founders can benefit from streamlined equity infrastructures, like InVestd Raise, to simplify capital raising and ensure investor-readiness, while incentives like an EMI scheme are vital for talent retention.

# Introduction

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The way businesses fund growth is changing, and the pressure to get it right has never been greater.

Economic uncertainty, shifting legislation and evolving market demands have forced organisations of every size to rethink how they finance their next stage of development. Access to the right capital is no longer just a strategic advantage; it's increasingly the difference between momentum and stagnation.

The numbers are sobering. Nearly half of new businesses in the UK collapse within their first three years. In the U.S., more than [65%](#) don't survive a decade. For many, the race to secure funding, whether through seed rounds or broader investment, begins before the ground beneath them feels solid.

Yet the fundraising landscape has grown more complex. Our [2024 Global Investment Report](#) revealed a sharp contraction in funding activity compared to the previous year, a trend that reflected a broader retreat in investor confidence worldwide.

This report analyses the full 2025 investment year: mapping where capital is flowing, where it's pulling back, and what the shifting terrain means for those preparing to raise. The picture that emerges is one of cautious optimism: while global funding has yet to reclaim its 2023 peak, early signs of recovery are visible, though uneven and concentrated in select markets and sectors.

The question isn't simply whether capital is returning. It's whether it's returning for you. And whether your business is ready when it does ([we can help you there](#)).

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## Yaroslav Kinebas

Market Infrastructure Lead at [Vestd](#)



# The Global Investment Report

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To explore shifts in global investment, Vestd's research team analysed Crunchbase data to assess year-on-year changes.

The report shows global trends. The findings are based on investment data from 25 countries, six continents, and two regions to see how the UK stacks up against its global competitors, including the U.S., China, India, and the European Union.



## Global investment at a glance

While global funding rounds have yet to return to the record volumes of 2022 and 2023, this data suggests that capital isn't drying up. While global investment funding rounds have slowed, capital is simply evolving - shifting to more disciplined, long-term profitability.

2025 has been defined as a year of recovery from the lows of 2024. Despite broader macroeconomic headwinds, every continent recorded a year-on-year increase in funding activity. Leading the charge was North America, with 26,744 total funding rounds for the year.

Collectively, global funding rounds reached 54,408 in 2025, representing a healthy bounce back from 2024, though still approximately 17.7% below the 2022 peak of 66,126 rounds. This trajectory signals that the market is no longer in freefall but is moving into a period of gradual recovery.

Total funding rounds by continent, ranked by 2025:

Funding Ranking by 2025 total	Continent	2025 (total)	2024 (total)	2023 (total)	2022 (total)	2019 (total)
1	North America	26,744	24,571	32,167	30,975	24,504
2	Asia	11,492	10,482	11,046	14,168	12,724
3	Europe	11,325	10,527	13,313	15,223	12,666
4	Africa	1,083	1,081	1,211	1,830	1,126
5	Oceania	998	924	1,075	1,271	1,052
6	South America	971	767	1,076	1,732	1,105
	Global	54,408	50,415	61,144	66,126	53,673

## The countries attracting the most capital

Across the continents, there has been a sharp difference between total funding activity for countries in North America and that of Europe and Asia.

The world's 'Big Five' investment hubs are currently split between three G7 leaders - the United States, Canada, and the United Kingdom - and the emerging markets of China and India.

Total funding activity, by country (ranked by 2025 top 5)

Funding Ranking by 2025 total	Country	2025 (total)	2024 (total)	2023 (total)	2022 (total)	2019 (total)
1	United States	21,929	21,231	27,375	27,106	21,260
2	Canada	4,420	3,019	4,327	3,286	2,860
3	China	4,048	3,069	3,736	3,173	3,539
4	United Kingdom	3,331	3,303	4,079	4,498	3,653
5	India	998	2,724	2,564	3,701	2,722

### United States' continued lead

- **Global leader:** The United States continues to lead in global investment volume, with 21,926 funding rounds representing nearly 40% of all global deals.
- **Market maturity:** While its 3.3% YoY growth trails the global average of 7.9% and North America's wider 8.8%, this reflects market maturity rather than weakness.



## Canada and China as growing challengers

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- **Canada's breakout year:** Canada is a growing investment hub, with a 46.4% YoY increase and a 54% rise since 2019.
- **China's rebound:** With a 31.9% YoY increase, China has reclaimed its position as the largest investment market in Asia.

## India's investment market is shifting

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- **Strategic consolidation:** While India remains a global top-five hub, it is the only market in the 'Big Five' to record a year-on-year contraction, with an 8.3% decline in deal volume.
- **Liquidity focus:** The dip in volume is largely driven by a cooling seed-stage market as investors pivot towards more sustainable, late-stage business models.

# The UK investment landscape

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The [latest figures](#) from the UK Government place the UK second globally for both the number of quantum start-ups and the volume of private investment, placing just behind the US.

However, as a mature market, the UK is currently facing a pipeline problem with stagnant growth since 2024, and a 13.7% drop in funding rounds compared to the year before.

Despite a broader struggle for overall investment, there have been significant regional shifts with certain cities emerging as unexpected local investment hotspots.

## Capital distribution by region

The new data points to London remaining as the dominant investment hub in the UK, reinforcing its position as the primary destination for investor capital and high-growth businesses.

But investment isn't just pointing in London's direction. Cambridge is the second-highest location for investment after London, with Edinburgh just missing out at third place, putting Scotland on the map as one of the best places for investors in the UK.

Similarly, Sheffield (+8%) and Leeds (+3%) are growing, while York (+29%) has had a surge in funding activity YoY. Together, these figures signal a clear shift in Northern momentum for business investment.



This shift aligns with the [Northern Growth Strategy](#), which is aimed at unlocking national economic growth by prioritising the North, which has been declared as one of the Government’s key economic objectives.

### The top 5 emerging investment hubs in the UK

Funding Ranking by 2025 total	Region	2025 (total)	2024 (total)	2023 (total)
1	London	1,786	2,103	2,220
2	Cambridge	102	125	130
3	Edinburgh	88	93	96
4	Manchester	70	120	95
5	Glasgow	69	58	61

# Global funding trends

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Seed funding rounds accounted for the largest share in 2025, with 10,141 deals, reinforcing investors' preference for early optionality in a more risk-conscious market.

At the same time, Non-Equity assistance saw a sharp drop of 47.6% YoY, suggesting a strong pullback in resources available for companies that do not yet qualify for, or choose not to pursue, traditional equity funding.

In contrast, later-stage capital accelerated:

- **Post-IPO Equity** rose by 46.7% and Post-IPO Debt by 44%, signalling renewed reliance on public markets for liquidity as private late-stage funding remains more selective.
- **Debt financing** also grew by 21.4%, underscoring a broader shift toward capital efficiency and reduced dilution.

## The rise of secondary markets

As new investment slows, investors are increasingly looking for alternative routes to liquidity.

The rise of [secondary market](#) private equity reflects a broader shift in capital strategy, with investors prioritising flexibility and liquidity amid ongoing market uncertainty.



[PISCES](#), the Private Intermittent Securities and Capital Exchange System, is the world's first regulated private stock market, and it's set to bring secondary markets into the mainstream.

“PISCES is a landmark moment for founders, employees, and investors alike. The opportunity to unlock liquidity without a full exit has never been more accessible. Vestd gives companies and investors everything they need to show up to PISCES ready: the tools, structures, and workflows to participate with confidence and full compliance.”

**Yaroslav Kinebas**  
PMI Lead at Vestd.



### Secondary market in 2025 for key territories (ranked by % change)

Secondary market	2025	YoY % change
Global	378	24%
India	101	77%
European Union	49	20%
United States	99	17%
United Kingdom	25	9%



Despite not reaching its previous height in 2023, global secondary rounds increased by 24% in 2025 compared to the year before.

While India's primary funding rounds dipped YoY (-8.3%), its secondary market activity surged with a 77% rise, making it one of the fastest-growing secondary markets.

Growth was also seen in the U.S., which saw a 17% increase in secondary rounds. The UK and EU followed suit, but at a slower rate than the global average of 24%, growing by 9% and 20% respectively.

# Investment by industry group

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The data shows an industry-wide cooling of investment in 2025, making it more challenging for businesses across the board to secure funding.

Software attracted the highest volume of funding in 2025 (18,282), followed closely by science and engineering (16,842), data and analytics (11,055), and health care (9,781).

Despite becoming increasingly embedded across sectors, Artificial Intelligence recorded only a modest 1.7% uplift in 2025 to 9,519 rounds, following one of the strongest growth periods between 2023 and 2024.

While there has been a drop across all industries in investment from 2024 to 2025, certain sectors have prevailed over the last year after having a greater increase in funding.

Natural resources made the largest jump at 27.3%, rising from 3,049 to 3,881 in the number of funding rounds. Platforms have also had a shift at a 17.2% increase - despite the industry not having the highest number of funding rounds, it's one of the few to have a positive uplift compared to the year prior.



### Industry funding, global (ranked by 2025 total)

Funding Ranking by 2025 total	Industry	2025 (total)	2024 (total)	YoY %
1	Software	18,282	20,480	-10.7%
2	Science & Engineering	16,842	16,951	-0.6%
3	Data & Analytics	11,055	11,108	-0.5%
4	Health care	9,781	10,942	-10.6%
5	Artificial Intelligence	9,519	9,357	-10.3%

Those which struggled to secure investment included gaming, which recorded the largest year-on-year decrease in funding (-28.8%). Despite record-breaking revenues in 2024, the industry seems to still be finding it difficult to attract consistent investment.

Education followed with a 28.5% decline in funding rounds, showing that funding in the sector is becoming increasingly selective and harder to secure.

### Industry funding, global (ranked by YoY biggest drop (%))

Funding Ranking by YoY (%)	Industry	2025 (total)	2024 (total)	YoY %
1	Gaming	688	966	-28.8%
2	Education	2,496	3,490	-28.5%
3	Agriculture & Farming	1,346	1,822	-26.1%
4	Music & Audio	355	479	-25.9%
5	Messaging & Telecomms	184	245	-24.9%

# Emerging unicorns

Within this environment of changing investment patterns, a key indicator of growth is the pipeline of emerging unicorns.

An emerging unicorn is a high-growth startup valued between \$500 million and \$1 billion in private funding rounds, placing it on the cusp of full unicorn status.

## The top 5 countries with emerging unicorns (2026)

Top countries	Country	No. of emerging unicorns (2026)	YoY % from 2025
1	United States	239	6.7%
2	China	44	2.3%
3	India	43	-6.5%
4	United Kingdom	27	-10.0%
5	South Korea	14	0.0%

Geographically, the US continues to dominate with 239 companies approaching unicorn status in early 2026, though its year-on-year growth was modest at 6.7%.

China and India follow, with 44 and 43 emerging unicorns, respectively. The UK recorded 27 emerging unicorns but experienced a 10.0% YoY decline, suggesting a thinning pipeline of companies approaching unicorn status.



Unlike the previous focus on convenience apps and delivery platforms, 2026 shows a shift towards more technical innovation year-on-year:

- **Artificial intelligence** led this shift, with a 41.7% surge in the number of emerging unicorns.
- **Data and analytics** recorded strong growth YoY (+30.5%), while science and engineering saw a notable expansion in emerging unicorns (+28.4%).

In contrast:

- **Software**, while the largest category by volume with 271 emerging unicorns, saw growth cool to 8.8%.
- **Financial services** also recorded comparatively muted growth (+5.6%), while commerce and shopping saw a 9.7% dip in the volume of emerging unicorns.

# Looking ahead: key insights

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What stands out in this comprehensive study is that investment is becoming more concentrated. Some areas are accelerating, while others are facing a noticeable pullback.

At the same time, there are clear bright spots in the data. Canada's rise in funding activity shows growing confidence, India's emerging unicorn pipeline remains strong, and in the UK, we're seeing encouraging signs of investment momentum building outside of London.

As funding conditions remain selective and founders face increasing pressure to build sustainable businesses, the need for streamlined fundraising and [equity infrastructure](#) has never been greater.

“ Capital is still out there, it's just more selective. The founders who plan ahead and build properly structured businesses will be the ones who stand out.”

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**Ifty Nasir**

Founder & CEO of Vestd.



## 2026 predictions

Nothing is certain, but if this report is anything to go by, here's where the market may be heading in the next 12 months or so:

- **AI will deepen, not broaden:** Investor capital is concentrating in fewer, higher-conviction AI bets rather than spreading widely, so expect a shakeout of earlier-stage AI startups as the bar for funding rises.
- **Secondary markets will become a mainstream liquidity tool:** As IPO windows remain selective and primary funding stays disciplined, founders and early investors will increasingly lean on secondaries to unlock liquidity without a full exit. In the UK, PISCES, the world's first regulated private stock market, is set to accelerate this shift.
- **The UK's regional hubs will punch above their weight:** With London deal volumes falling, expect the north of England and Scotland to attract growing attention from investors looking for value outside the capital.
- **Debt and post-IPO financing will gain ground:** Founders are clearly looking to raise capital without diluting equity, a trend that will likely accelerate as valuations remain under pressure.

# Methodology

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To assess the scale of global investment in 2025 and how it has evolved throughout the year, as well as in comparison to previous years, Vestd analysed Crunchbase data to reveal private equity trends across a range of regions and industries.

Vestd examined the total number of funding rounds across countries and analysed how the UK compared to its key competitors, including the U.S., India, and the European Union (EU), when it comes to investment in businesses. In total, 25 countries, six continents, two regions, and 41 UK cities were analysed.

*Full findings are available upon request. All data is correct as of February 2026.*

# Raise with confidence

Raise, retain & realise value - all in one place.

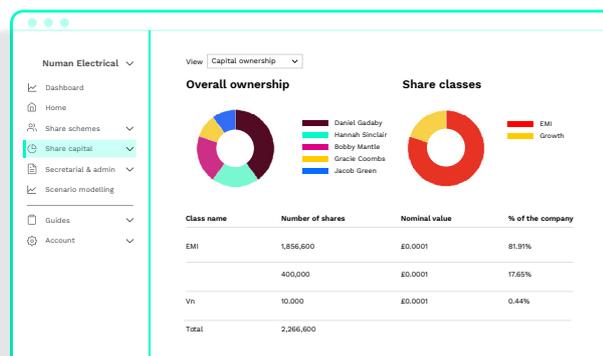
The investment landscape is shifting. Capital is more selective, liquidity routes are evolving, and the founders who thrive will be the ones who are structured, strategic, and ready to move when opportunity strikes.

## Where Vestd comes in:

- [InVestd Raise](#) helps you manage the practical side of raising capital, from [SEIS](#) and [EIS](#) applications to share issuance to investment documentation.
- FCA-regulated [sharetech](#) gives companies the edge they need to attract and retain the people who'll help them grow, with Companies House integration to streamline administration.
- As PISCES opens up a regulated, accessible private secondary market, Vestd gives you everything you need to [participate with confidence](#): the tools, structures and workflows to unlock liquidity compliantly, on your terms.

The future of private capital is here. Vestd helps you meet it head on.

[Get started with Vestd today](#)



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