

Bain Capital Ventures launches \$560M fund as investment in crypto space soars

Article

The news: Startup investment firm **Bain Capital Ventures** launched a **\$560 million fund** focused exclusively on crypto projects, per Bloomberg.

The long-term-oriented fund will invest in around 30 undisclosed crypto-related companies over several years.

What does it do? It's the venture capital arm of Bain Capital, one of the world's biggest investment firms.

Bain Capital Ventures has already invested in digital asset projects, pumping money into crypto lender **BlockFi**, blockchain specialist **Compound**, and **Digital Currency Group**, which runs various crypto companies.

Trendspotting: Investment firms continue to fund crypto projects even as the turbulence within digital asset markets has been exacerbated by Russia's invasion of Ukraine.

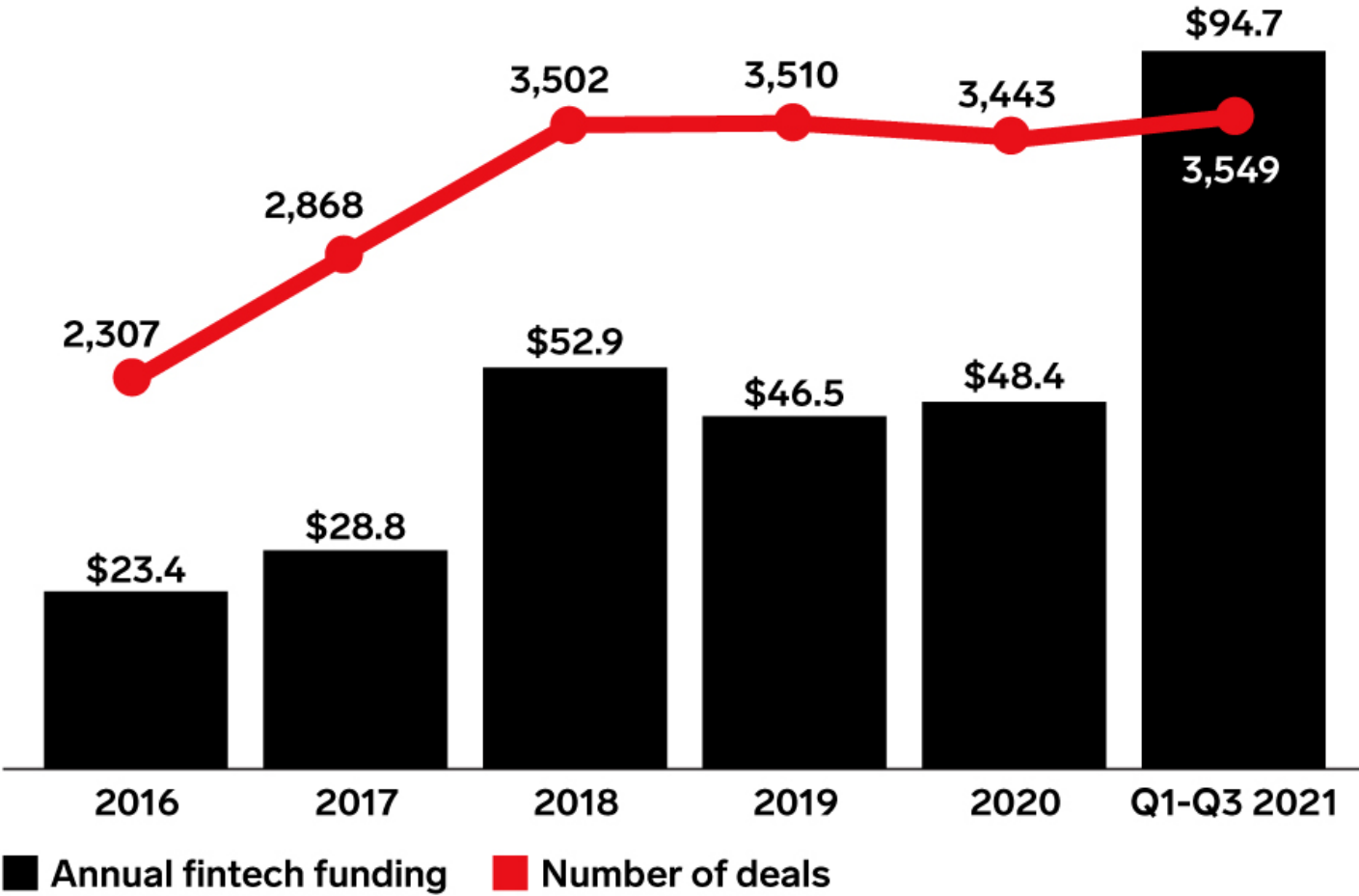
- **Investment inflows into crypto funds tripled last week** to hit a net \$127 million, the highest level in nearly three months, per CoinDesk.
- Venture capital interest in the industry shows no sign of dropping: **\$33 billion flowed into crypto and blockchain startups in 2021**, more than all previous years combined, according to Galaxy Digital.
- Crypto firms have attracted an increasing number of **megarounds** as investors flood the space: **FTX** raised **\$400 million** last month, **Fireblocks** snagged **\$550 million** in January, and crypto tech specialist **NYDIG** netted **\$1 billion** in December.

The big takeaway: We believe funding will continue to climb as investment firms pile into the industry to take advantage of consumers' rising awareness and interest.

- **The number of large funds centered on crypto will increase.** Bain Capital ventures joins an ever-expanding list of investors backing crypto startups, including **Paradigm**, **Andreessen Horowitz**, and **SoftBank**.
- **Backers will also diversify their investing** into crypto infrastructure and blockchain startups with the potential to innovate financial services, such as DeFi firms.
- Even in a volatile market rocked by the Russia-Ukraine war, Bain Capital Ventures' new fund highlights that investment can thrive when **strong investor interest shows no sign of abating**.

Annual Fintech Funding Worldwide, 2016-Q3 2021

billions and number of deals



Source: CB Insights, "State of Fintech Q3'21 Report," Oct 26, 2021

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