






The State of U.S. Early-Stage Venture and Startups

H1 2025

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Executive Summary



The venture market held steady in H1 2025, continuing the stabilization that began in 2024. Our latest report reveals the forces shaping what comes next across the startup ecosystem.

Key H1 2025 Findings

1

Funds on AngelList tend to outperform market averages

Cambridge Associates recently released 2024 venture benchmarks. Our predictions held up: AngelList funds are consistently equal or higher across IRR and DPI—and heavily outperformed on TVPI for older vintages.

2

AI startups consistently dominate fundraising

More than 40% of AngelList deals went to AI startups in H1 — nearly double 2024’s 21%.

3

Seed valuations remain steady while Series A & Series B rise

Median Pre-Seed and Seed valuations at the 50th percentile held flat relative to 2024 (\$10M and \$20M pre-money, respectively), while later rounds ticked up slightly.

4

The market is *slowly* trending in the right direction

However, startups are getting marked up at rates well below pre-pandemic norms.

5

Recent fund vintages have not appreciated in value

Across all vintages, the typical venture fund has been treading water for the last 3.5 years.

What’s New In This Report

Startup Index

This year’s report introduces a proprietary Startup Index section, where we track markups vs. markdowns across 20,000+ startups on our platform.

Our proprietary Index seeks to answer the question: *If a GP deployed capital into 100 startups, spread evenly across the past decade, how many more good updates than bad updates would you receive from your portfolio in the last six months?*

Startup Index



Startup Index

No GP should make critical decisions based on outdated information. Our proprietary Startup Index uses aggregated and anonymized data, and offers things that other venture data can't:

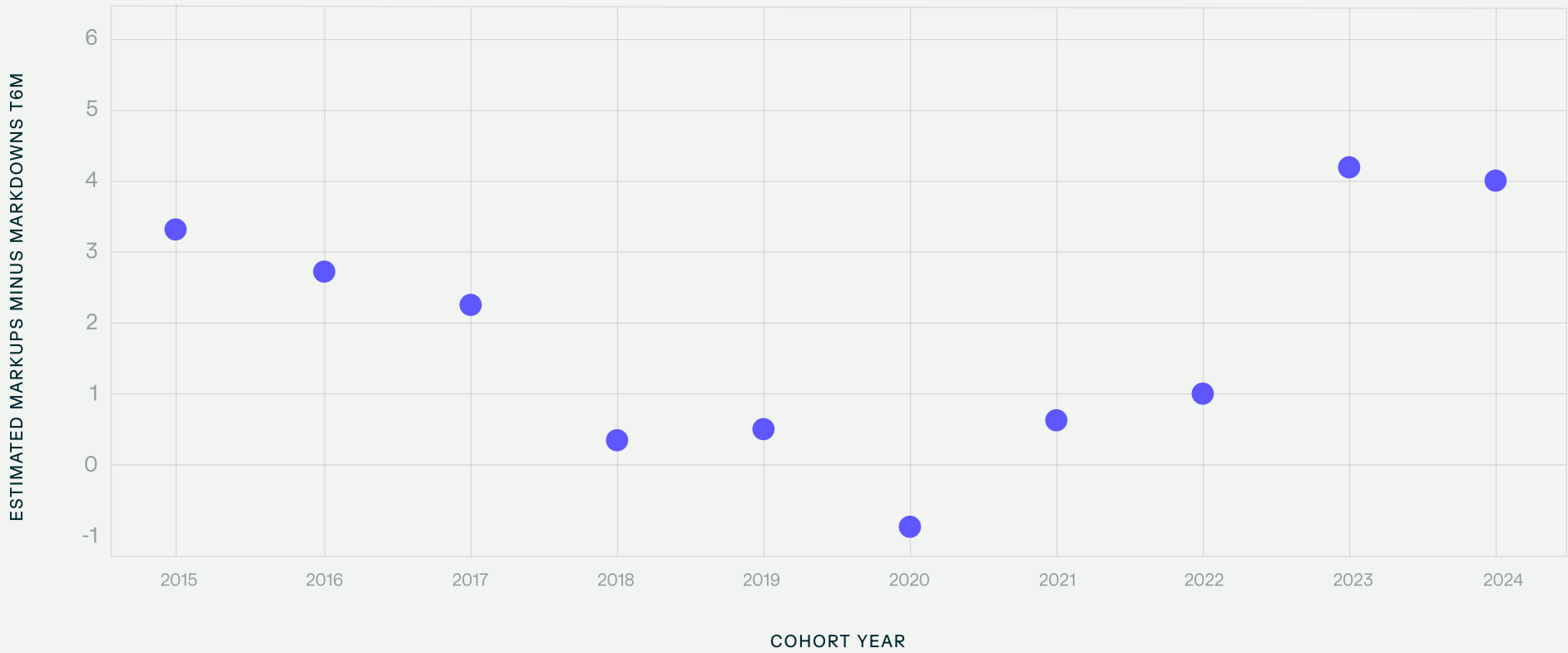
- **Timeliness** — We update our data every month based on actual price movements and fundraising data.
- **Scale** — We track ~20,000 venture-backed startups across a variety of sectors and industries, all tied to real capital events over more than a decade.
- **Accuracy** — Our index reflects actual share price changes, not an analyst's guess about what a company might be worth.
- **Context** — We anchor our data to pre-pandemic levels so readers can understand what "good" and "bad" look like historically.

So, if you backed 100 startups over the past decade, how many more good updates than bad would you have received in the last six months?

At the close of H1 2025, that number is 1.8, meaning you'd get approximately 2 more good than bad updates from a typical portfolio. This is a far cry from pre-pandemic levels of 6.1, but better than March's all time low of 1.4.

But the real story emerges when we cut the data by the year companies first raised capital. A startup funded in 2019 faced very different conditions than one funded in 2023 — so grouping them hides the signal. By analyzing these “cohorts,” we see how market forces shaped companies over time.

Score by Startup Cohort Year



AngelList

Here’s what we found across all cohorts:

- **Exit Watchlist | 2015-2017:** Mature companies are in a holding pattern waiting for exits. Fewer startups across these vintage years are raising marked-up rounds than would have been typical pre-pandemic.
- **COVID Exposed (2018–2022):** The startups founded during these years are the weakest performers in our data. Many companies founded immediately before and during the pandemic raised at historically high valuations and now face a tough reality. 2020 stands out — unusually, the cohort shows a negative value, meaning more bad news than good.
- **New Normal (2023–2024):** The strongest cohort in our data driven by a wave of AI-native and Robotics companies.

Fund Benchmark Data



AngelList Fund Benchmarks

AngelList powers venture funds, primarily for emerging managers. That offers us a unique lens on fund performance across vintages, including benchmarks for 2023. Our benchmarks begin with 2017, the first year with 40+ funds in our dataset.

IRR - as of June 30th, 2025				
Vintage Year	25th percentile	50th percentile	75th percentile	90th percentile
2017	12.1%	17.0%	28.0%	38.4%
2018	9.0%	17.4%	22.4%	45.3%
2019	6.7%	16.3%	27.6%	38.1%
2020	4.6%	12.1%	19.9%	30.8%
2021	-1.9%	1.9%	6.9%	13.8%
2022	-3.5%	1.6%	8.1%	15.7%
2023	-7.5%	-1.3%	8.0%	22.1%
AngelList				

TVPI - as of June 30th, 2025				
Vintage Year	25th percentile	50th percentile	75th percentile	90th percentile
2017	2.25x	3.32x	6.53x	11.06x
2018	1.69x	2.81x	3.78x	7.32x
2019	1.41x	2.38x	3.44x	5.93x
2020	1.21x	1.63x	2.32x	3.33x
2021	0.95x	1.05x	1.24x	1.58x
2022	0.92x	1.04x	1.21x	1.40x
2023	0.90x	0.98x	1.13x	1.27x
AngelList				

DPI - as of June 30th, 2025				
Vintage Year	25th percentile	50th percentile	75th percentile	90th percentile
2017	0.07x	0.30x	0.69x	1.09x
2018	0.05x	0.27x	0.57x	1.20x
2019	0.00x	0.07x	0.25x	0.75x
2020	0.00x	0.04x	0.13x	0.61x
2021	0.00x	0.00x	0.04x	0.11x
2022	0.00x	0.00x	0.02x	0.11x
2023	0.00x	0.00x	0.00x	0.01x
AngelList				

Comparison to Cambridge Associates

AngelList Funds compared to Cambridge Associates 2024 Benchmarks

AngelList funds, led mostly by emerging managers, often invest faster and earlier than larger VC funds — compounding capital in startups’ highest-growth years. Industry research backs this: emerging managers tend to outperform bigger funds.

In our 2024 State of Venture report, we predicted that once industry benchmarks included Q4’24 performance:

- AngelList funds would match peers on IRR and DPI; and,
- AngelList funds would lead on TVPI, especially for older vintages.

Cambridge Associates recently published 2024 benchmarks, and the data shows our predictions were largely correct, as indicated by the below charts

Note: AngelList figures shown are from year-end 2024 to match Cambridge Associate’s dataset, not our latest 2025 benchmarks covered earlier.

IRR - as of December 31st, 2024									
Vintage Year	AngelList 25th percentile	Cambridge 25th percentile	Difference	AngelList 50th percentile	Cambridge 50th percentile	Difference	AngelList 75th percentile	Cambridge 75th percentile	Difference
2017	13.9%	5.63%	+8.27%	19.7%	16.03%	+3.67%	29.2%	23.03%	+6.17%
2018	10.6%	5.70%	+4.90%	17.6%	12.56%	+5.04%	26.1%	18.99%	+7.11%
2019	7.6%	3.79%	+3.81%	18.7%	8.83%	+9.87%	27.0%	15.42%	+11.58%
2020	6.3%	0.15%	+6.15%	12.9%	5.93%	+6.97%	21.5%	11.06%	+10.34%
2021	-3.0%	-5.30%	+2.30%	1.2%	0.38%	+0.82%	6.4%	5.73%	+0.67%
2022	-4.3%	-8.42%	+4.12%	-0.2%	-0.2%	+0.00%	4.8%	13.24%	-8.44%
2023	-11.8%	-17.03%	+5.23%	-5.5%	-5.57%	+0.07%	2.9%	11.59%	-8.69%
AngelList									

TVPI - as of December 31st, 2024									
Vintage Year	AngelList 25th percentile	Cambridge 25th percentile	Difference	AngelList 50th percentile	Cambridge 50th percentile	Difference	AngelList 75th percentile	Cambridge 75th percentile	Difference
2017	2.45x	1.32x	+1.13x	3.57x	1.96x	+1.61x	6.35x	2.68x	+3.67x
2018	1.83x	1.26x	+0.57x	2.64x	1.67x	+0.97x	3.95x	2.18x	+1.77x
2019	1.42x	1.13x	+0.29x	2.40x	1.41x	+0.99x	3.40x	1.71x	+1.69x
2020	1.25x	1.00x	+0.25x	1.58x	1.19x	+0.39x	2.32x	1.40x	+0.92x
2021	0.93x	0.89x	+0.04x	1.04x	1.01x	+0.03x	1.20x	1.13x	+0.07x
2022	0.93x	0.89x	+0.04x	1.00x	1.00x	+0.00x	1.09x	1.19x	-0.10x
2023	0.89x	0.86x	+0.03x	0.95x	0.95x	+0.00x	1.03x	1.10x	-0.07x
AngelList									

DPI - as of December 31st, 2024									
Vintage Year	AngelList 25th percentile	Cambridge 25th percentile	Difference	AngelList 50th percentile	Cambridge 50th percentile	Difference	AngelList 75th percentile	Cambridge 75th percentile	Difference
2017	+0.07x	+0.03x	+0.04x	0.29x	0.22x	+0.07x	0.64x	0.68x	-0.04x
2018	+0.04x	0.00x	+0.04x	0.21x	0.10x	+0.11x	0.51x	0.42x	+0.09x
2019	0.00x	0.00x	+0.00x	0.06x	0.01x	+0.05x	0.20x	0.15x	+0.05x
2020	0.00x	0.00x	+0.00x	0.02x	0.00x	+0.02x	0.11x	0.04x	+0.07x
2021	0.00x	0.00x	+0.00x	0.00x	0.00x	+0.00x	0.02x	0.00x	+0.02x
2022	0.00x	0.00x	+0.00x	0.00x	0.00x	+0.00x	0.00x	0.00x	+0.00x
2023	0.00x	0.00x	+0.00x	0.00x	0.00x	+0.00x	0.00x	0.00x	+0.00x
AngelList									

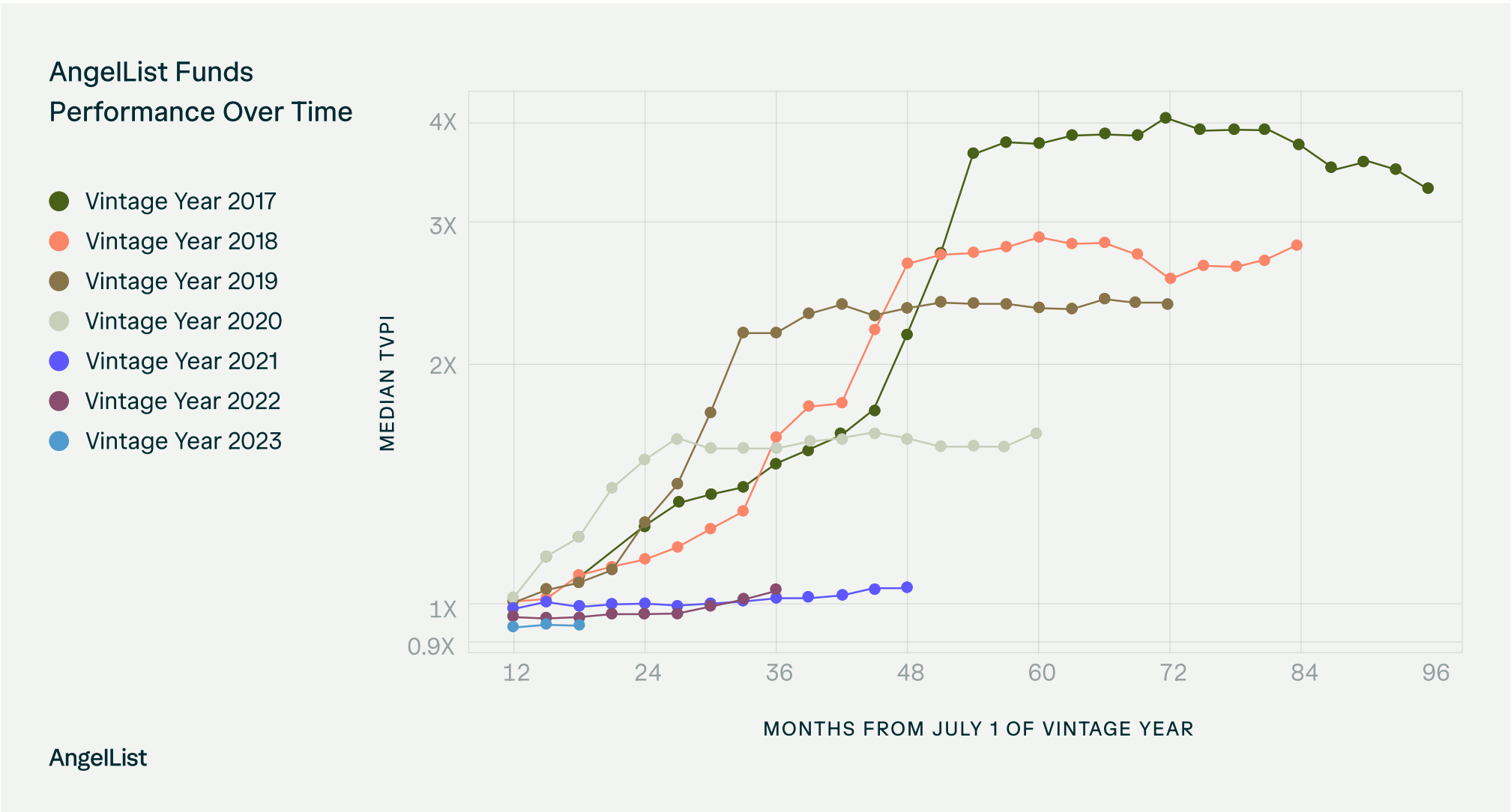
AngelList values are consistently equal or higher to Cambridge Benchmarks across the board, with notably higher TVPI values, as we expected. In fact, there are only five values on which Cambridge Benchmarks are ahead of what we published in January 2025:

- 2017 75th percentile DPI, which is marginally higher for Cambridge funds and likely not meaningful; and,
- Four values associated with recent fund vintages’ IRR & TVPI (2022 & 2023) at the upper quartile, which are much higher than what we published.

While it’s possible that the upper tier of AngelList funds have dropped off recently (IRR & TVPI), it’s more likely that this is evidence of certain GPs employing creative valuation methodologies for recent vintages by using tricks that are uncommon among AngelList funds, which can drive up these numbers in the near term. **Unusually high near-term IRR figures should be taken with a grain of salt, as we believe it’s likely that they’ll revert over time.**

Typical Fund Performance by Vintage Year

When we plot the TVPI of the median venture capital fund on AngelList from different vintage years over time, we see a highly correlated phenomenon: a sharp run-up in TVPI between Q4'20 and Q1'22 followed by stagnating values since then. This means that venture fund performance has been flat for the past three and a half years.



Startup Benchmark Data



Median Valuations

Valuations at Pre-Seed and Seed held steady, while most later-stage valuation tiers rose. The sharpest jump: 75th percentile Series B deals climbed from \$300M to \$400M pre-money.

Note: Our median valuations may differ from other sources due to faster reporting from AngelList’s infrastructure and differences in deal quality and type on our platform.

2024 Lookback: Valuation quantiles (pre-money)

	25th percentile	50th percentile	75th percentile
Pre-Seed	\$5.35M	\$10M	\$13M
Seed	\$15M	\$20M	\$25M
Series A	\$37.5M	\$62.5M	\$100M
Series B	\$85M	\$170M	\$300M

H1 2025: Valuation quantiles (pre-money)

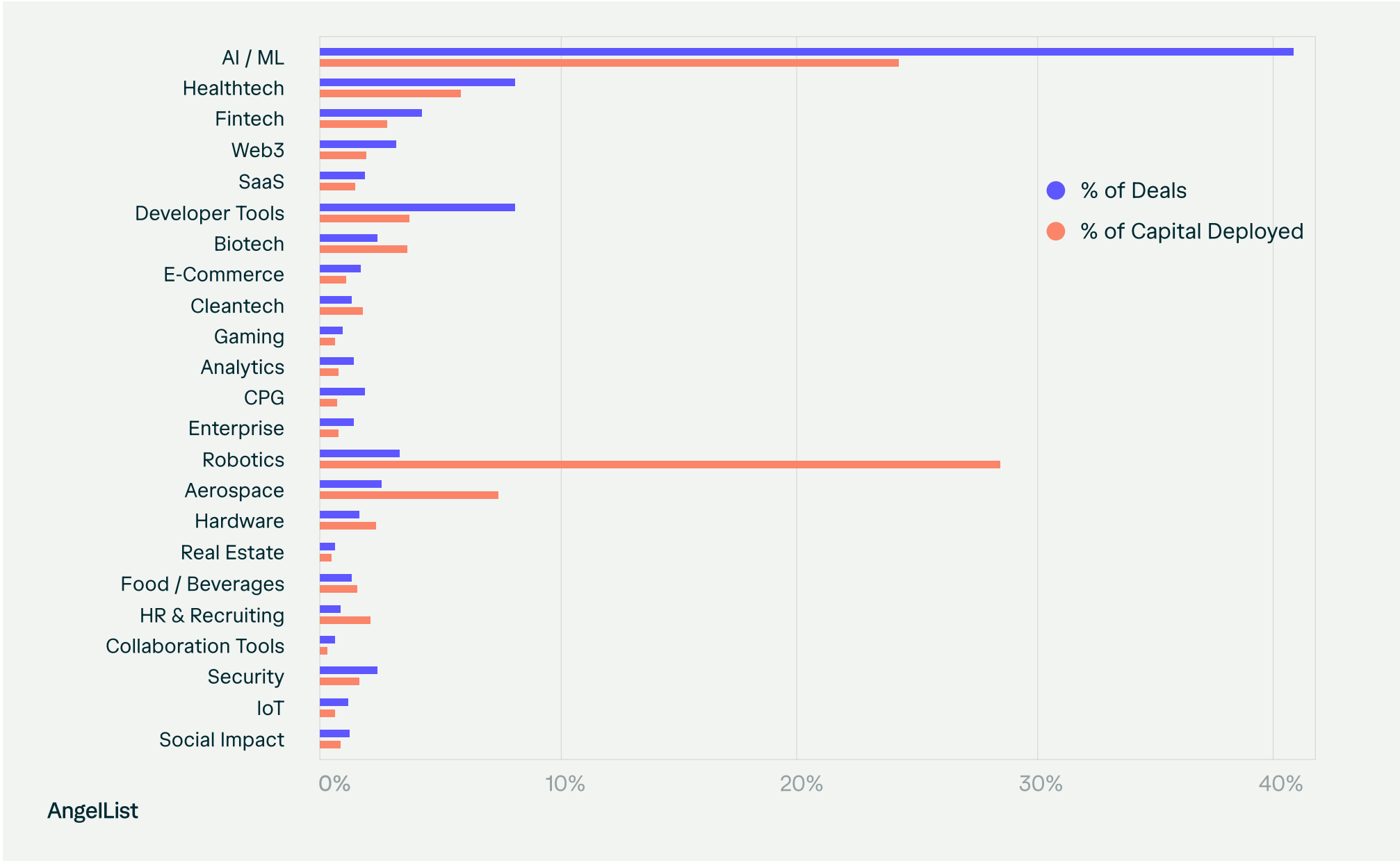
	25th percentile	50th percentile	75th percentile
Pre-Seed	\$6M	\$10M	\$15M
Seed	\$15M	\$20M	\$30M
Series A	\$40M	\$66M	\$106M
Series B	\$100M	\$180M	\$400M

Early-Stage VC by Market Sector

In H1'25, AI/ML captured **41.5%** of investment volume — up from 21.4% in all of 2024. Robotics also surged: deal volume rose to **3.3%** (from 1.7%), with capital deployment jumping from 2.1% in 2024 to **29.0%** in just six months, surpassing AI/ML.

Other active sectors by deal volume: Developer Tools (**8.3%**), Healthtech (**8.2%**), and Fintech (**4.3%**). By capital deployed after AI/ML and Robotics: Aerospace (**7.5%**), Healthtech (**6.0%**), and Developer Tools (**3.7%**).

Put simply, in H1'25 nearly 50% of all deals — and 60% of all capital — on AngelList went to AI/ML and Robotics startups.



Summary of Findings



Early-stage venture is still in transition. Fund performance has plateaued for more than three years, and the rate of Seed-stage startups raising marked-up Series A — while improving — remains well below pre-pandemic levels. 2021 could be the first vintage in 20 years where the median venture capital fund loses money, but early signs suggest that more recent fund vintages could rebound.

Pandemic excesses appear to be weighing on startups, an effect we can see for companies founded during COVID and those that raised follow-ons during that same period. If we look at a holistic view of the entire startup ecosystem, COVID-exposed startup vintages appear to be dragging down overall performance. However, our data suggests that startups that raised between 2023-2024, and new venture funds raised during that time, may be in a better position going forward.

About AngelList

AngelList is building the infrastructure that powers the startup economy. Providing investors with the connected tools they need to launch and scale a fund of any size, and invest in both. As of this writing, we support nearly \$171B assets on platform with over 72k investors and 25k funds and syndicates on platform. Our data and access gives us a nearly unrivaled view into early-stage venture activity. That means we can report with more accuracy and timeliness on market-wide trends within the startup ecosystem.

About the Authors



Abe Othman is a consulting researcher at AngelList and the Chief Investment Officer of Strawberry Tree Management Company LLC, an independently operated AngelList affiliate that uses data to build signals to invest in funds, secondaries, and startups on the AngelList platform. He has founded two machine-learning companies with successful exits and invested in more than fifty seed-stage companies. He received his A.B. from Harvard in Applied Math and a Ph.D. in Computer Science from Carnegie Mellon.



Madison Waldvogel is the Head of Marketing at AngelList. She began her career at Bloomberg, where she covered buy-side investment managers, before transitioning into the dynamic world of startups. Prior to establishing the marketing function at AngelList, Madison built the strategic marketing function at Loom and spearheaded customer marketing initiatives at Wunderkind. Known for her expertise in storytelling, she is passionate about integrating customer voices into compelling brand strategies.



Sarah Abboud is the Communications Lead at AngelList. She began her career at Uber, leading communications for the company's self-driving car division before transitioning into women's health, where she built the communications function at venture-backed startup The Pill Club (acquired by Thirty Madison). Sarah then spent two years in private equity and venture capital at VMG Partners. Throughout her career, she has focused on making complex topics accessible to audiences regardless of their background.

<div>Methodology</div>	
<div>Startup Index Methodology</div>	<p>The Index measures startup ecosystem health by analyzing valuation changes across approximately 20,000 companies that have raised funding at least three months prior and remain operational with clear dollar-denominated pricing histories. The approach tracks six-month share price movements, classifying increases of 10%+ as markups (good news for GPs) and decreases of 10%+ as markdowns (bad news for GPs), then segments companies into cohorts based on their initial fundraising year to account for varying market conditions and maturity stages. An average across all cohorts produces a single metric representing the net health of the early-stage startup ecosystem, effectively capturing the balance between positive and negative valuation momentum across different vintage years of companies.</p>
<div>Fund Benchmark Methodology</div>	<p>We associate a fund's vintage year with the calendar year of the fund's first close. In the case of parallel accredited/QP vehicles we exclusively select and present cashflows from the accredited vehicle. All numbers shown are net to LPs.</p>
<div>Startup Benchmark Data Methodology</div>	<p>An AngelList "deal" is an investment made by a Traditional or Rolling Fund, Syndicate (SPV), or Roll Up Vehicle hosted on the AngelList platform. We define “early stage” deals as deals that occur at Series A or prior. We include all deals signed in the relevant quarter or year, indicating a legal commitment to invest. We make no guarantee that these deals were finalized in the quarter or year, or ever. All deals are labeled by round and sector according to the best judgment of the deal lead, with potential oversight from the AngelList investment operations team. Since we generally only update valuations at priced rounds, at any given twelve-month stretch, perhaps only 30% of companies will show a change in value. As AngelList skews towards earlier investments, we estimate that about three-quarters of the companies we track are at the seed or Series A stage. All data herein represents deals signed by GPs on AngelList between 1/1/25 and 6/30/25.</p> <p>Valuations</p> <p>Valuations are based on summary statistics from pre-money USD amounts across financing rounds, typically marked to each company's most recent priced round as reported to AngelList. Companies without new priced investments since their last mark are held at cost or subject to discretionary markdowns per AngelList's valuation policy. These valuations don't reflect liquidation preferences or other deal terms that may impact actual returns, and later-stage investments exceeding certain thresholds may receive third-party valuations. All figures are unaudited and calculated as of disclosed dates—contact AngelList for complete valuation methodology details.</p>

Startup Benchmark
Data Methodology

Market Sector

Deal share by market sector was calculated by adding up the total deal count for each deal that was part of a Syndicate or Traditional Fund and was assigned a specific market sector tag at deal close. This number was then expressed as a percentage of overall deal count in H1 2025. Share of capital deployed by market sector was calculated by adding up the total capital deployed for all deals that were part of a Syndicate or Traditional Fund and was assigned a specific market sector tag at deal close. This number was then expressed as a percentage of the total capital deployed across all sectors in H1 2025.

Disclaimers

All data referenced in this material is current as of 7/1/2025, unless otherwise mentioned. Data includes information that may be reported to AngelList or made publicly available by various third-parties including Cambridge Associates LLC. While we have no reason to doubt the authenticity of the third-party data, we may not undertake any additional steps to verify its accuracy. As such, this report is meant to show the entire state of the venture market through data we have obtained through multiple sources. This report is merely meant to depict the performance of the overall industry. Charts and graphs provided within are for informational purposes solely and should not be relied upon when making any investment decision. Past performance is not indicative of future results. The content speaks only as of the date indicated. We undertake no obligations to update them in the future.

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