



Equipment Leasing and Finance Association's
Survey of Economic Activity: Monthly Leasing and Finance Index
September New Business Volume Up by 25 Percent Year-over-year,
Month-to-month and YTD

Washington, DC, October 25, 2011— The [Equipment Leasing and Finance Association's](#) (ELFA) [Monthly Leasing and Finance Index \(MLFI-25\)](#), which reports economic activity for the \$628 billion equipment finance sector, showed overall new business volume for September was \$7.1 billion, up 25 percent from volume of \$5.7 billion in the same period in 2010. Volume was also up 25 percent from the previous month. Year-to-date cumulative new business volume is up 25 percent as well.

Credit quality metrics were mixed. Receivables over 30 days decreased to 2.3 percent in September from 2.5 percent in August, and declined by 32.4 percent compared to the same period in 2010. However, charge-offs increased 50 percent from August, and decreased by 43.8 percent from the same period in 2010.

Credit standards tightened in September as the number of lease applications approved decreased nominally to 76.5 percent from 77.6 percent the previous month. Sixty percent of participating organizations reported submitting more transactions for approval during the month.

Finally, total headcount for equipment finance companies in September showed no significant change month to month and was down 1.4 percent year over year. Supplemental data show that the construction and trucking industries and small- and medium-sized enterprises led the underperforming sectors.

Separately, the **Equipment Leasing & Finance Foundation's** Monthly Confidence Index (MCI-EFI) for October is 50.7, up from the September index of 47.6. For more detailed information on the MCI-EFI visit www.LeaseFoundation.org

[ELFA President and CEO William G. Sutton, CAE](#), said: “Our industry continues to show signs of strengthening despite a stubbornly stagnant U.S. and global economy. The spike in write-offs during the period shows that some lease and loan portfolios are under pressure. However, our trends in new business volume growth and delinquency experience both appear to continue to trend in the right direction.”

Anthony R. Sasso, President of [TD Equipment Finance](#), a subsidiary of TD Bank, N.A., located in Cherry Hill, NJ, said, “Our results at TD Equipment Finance are consistent with the data in the September MLFI, particularly in the area of New Business Volume. Our 2011 volumes have outpaced 2010 largely driven by growth in the Public Finance, Healthcare, Trucking and Renewable Energy sectors. Our credit quality metrics, aging of receivables and charge offs, also continue to improve from last year. Notwithstanding events in the global economy, we’re seeing slow but steady growth in our pipelines of opportunities.”

About the ELFA’s MLFI-25

The **MLFI-25** is the only index that reflects **capex**, or the volume of commercial equipment financed in the U.S. The **MLFI-25** is released globally at 9 a.m. Eastern time from Washington, D.C., each month, on the day before the **U.S. Department of Commerce** releases the [durable goods report](#). The **MLFI-25** is a financial indicator that complements the durable goods report and other economic indexes, including the [Institute for Supply Management Index](#), which reports economic activity in the manufacturing sector. Together with the **MLFI-25** these reports provide a complete view of the status of productive assets in the U.S. economy: **equipment produced, acquired and financed**.

The MLFI-25 is a time series that reflects two years of business activity for the 25 companies currently participating in the survey. The latest MLFI-25, including methodology and participants is available below and also at <http://www.elfaonline.org/ind/research/MLFI/>

MLFI-25 Methodology

The ELFA produces the MLFI-25 survey to help member organizations achieve competitive advantage by providing them with leading-edge research and benchmarking information to support strategic business decision making.

The MLFI-25 is a barometer of the trends in U.S. capital equipment investment. Five components are included in the survey: **new business volume** (originations), **aging of receivables, charge-offs, credit approval ratios**, (approved vs. submitted) and **headcount** for the equipment finance business.

The MLFI-25 measures monthly commercial equipment lease and loan activity as reported by participating ELFA member equipment finance companies representing a cross section of the equipment finance sector, including small ticket, middle-market, large ticket, bank, captive and independent leasing and finance companies. Based on hard survey data, the responses mirror the economic activity of the broader equipment finance sector and current business conditions nationally.

ELFA MLFI-25 Participants

ADP Credit
BancorpSouth Equipment Finance
Bank of America
Bank of the West
BB&T Bank
BMO Harris Equipment Finance Company
Canon Financial Services
Caterpillar Financial Services
CIT
De Lage Landen Financial Services
Dell Financial Services
EverBank Commercial Finance
Fifth Third Bank
First American Equipment Finance
GreatAmerica
Hitachi Credit America
HP Financial Services
Huntington Equipment Finance
John Deere Financial
Key Equipment Finance
M&T Bank
Marlin Leasing
Merchants Capital
PNC Equipment Finance
RBS Asset Finance
SG Equipment Finance
Siemens Financial Services
Stearns Bank
Suntrust
Susquehanna Commercial Finance
US Bancorp Equipment Finance
Verizon Capital
Volvo Financial Services
Wells Fargo Equipment Finance

About the ELFA

The Equipment Leasing and Finance Association (ELFA) is the trade association that represents companies in the \$628 billion equipment finance sector, which includes financial services companies and manufacturers engaged in financing capital goods. ELFA members are the driving force behind the growth in the commercial equipment finance market and contribute to capital formation in the U.S. and abroad. Its over 600 members include independent and captive leasing and finance companies, banks, financial services corporations, broker/packagers and investment banks, as well as

manufacturers and service providers. In 2011, ELFA is celebrating 50 years of equipping business for success. For more information, please visit www.elfaonline.org.

ELFA is the premier source for statistics and analyses concerning the equipment finance sector. Please visit <http://www.elfaonline.org/ind/research/> for additional information.

The **Equipment Leasing & Finance Foundation** is the non-profit affiliate to the Equipment Leasing and Finance Association, providing future-focused research to the equipment finance industry. For more information please visit the website at www.leasefoundation.org

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