

**Equipment Leasing and Finance Association's**  
**Survey of Economic Activity: Monthly Leasing and Finance Index**  
*March New Business Volume Up by 10 Percent Year-over-year, 36 Percent Over February*

Washington, DC, April 24, 2012— 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 March was \$6.8 billion, up 10 percent from volume of \$6.2 billion in the same period in 2011. Volume was up 36 percent from the previous month. Year-to-date cumulative new business volume is up 17 percent.

Receivables over 30 days increased to 2.8 percent in March, up from 2.5 percent in February, and down by 20 percent compared to the same period in 2011. Charge-offs increased to 0.7 percent, up from 0.5 percent the previous month, and down by 46 percent compared to the same period last year.

Credit approvals dipped slightly to 78 percent in March from 79 percent in February. More than 66 percent of participating organizations reported submitting more transactions for approval during March, up from 62 percent in February.

Finally, total headcount for equipment finance companies in March decreased 0.7 percent from the previous month, and was down 3.4 percent year over year. Supplemental data show that the construction and trucking industries continued to lead the underperforming sectors.

Separately, the **Equipment Leasing & Finance Foundation's** Monthly Confidence Index (MCI-EFI) for April is 62.1, up slightly from the March index of 61.7, and the fourth consecutive month of increases, indicating industry participants' optimism is slowly but steadily rising. For more detailed information on the MCI-EFI visit [www.LeaseFoundation.org](http://www.LeaseFoundation.org)

[ELFA President and CEO William G. Sutton, CAE](#), said: "Growth in new business volume appears to be easing somewhat as we head into the summer months. Increases in originations of the magnitude we have experienced during the past two to three years in a recovery mode are probably not sustainable. Nevertheless, a 10 percent rate of growth for the period continues a positive trend by businesses to make capex investments in productive assets. Credit quality metrics appear to be stabilizing, returning to pre-recession levels."

[John McQueen, Executive Vice President and Head of Wells Fargo Equipment Finance](#), headquartered in Minneapolis, MN, said, "We started to see a positive change in the equipment finance market in Q4-2010 with increased demand and reduced portfolio delinquency. In my perspective, demand for new equipment was being driven by a combination of factors. These factors include the replacement cycle for older equipment that businesses had been using for longer periods due to a weakening economy as well as companies focusing on acquiring equipment to improve efficiency. As we enter 2012, we've seen a continuation of these trends as Wells Fargo Equipment Finance had record financial performance in 2011, and we continued this momentum during Q1 with 11.5% year-over-year volume growth, a 17.0% backlog increase, strong transaction spreads, and continued portfolio quality improvement."

## 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 8 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/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 Equipment Finance Company**  
**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 550 members include independent and captive leasing and finance companies, banks, financial services corporations, broker/packageers and investment banks, as well as manufacturers and service providers. ELFA has been equipping business for success for more than 50 years. For more information, please visit [www.elfaonline.org](http://www.elfaonline.org).

ELFA is the premier source for statistics and analyses concerning the equipment finance sector. Please visit <http://www.elfaonline.org/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](http://www.leasefoundation.org)

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