

**Equipment Leasing and Finance Association's  
Survey of Economic Activity: Monthly Leasing and Finance Index**

*November New Business Volume Up by 3 Percent Year-over-year, Down 16 Percent Month-to-month, Up 15 Percent Year-to-date*

Washington, DC, December 21, 2012— The [Equipment Leasing and Finance Association's](#) (ELFA) [Monthly Leasing and Finance Index \(MLFI-25\)](#), which reports economic activity from 25 companies representing a cross section of the \$725 billion equipment finance sector, showed their overall new business volume for November was \$6.4 billion, up 3 percent from volume of \$6.2 billion in the same period in 2011. Their volume was down 16 percent from the previous month, and their year-to-date cumulative new business volume increased 15 percent.

Receivables over 30 days increased for the first time in six months to 2.0 percent, up from 1.7 percent in October, and they were unchanged when compared to the same period in 2011. Charge-offs were up from the previous month at 0.5 percent, and down by 28.6 percent compared to the same period last year.

Credit approvals totaled 77.0 percent in November, down from 79.5 percent in October. Forty-six percent of participating organizations reported submitting more transactions for approval during November, down from 66 percent the previous month.

Finally, total headcount for equipment finance companies was down 1 percent from the previous month, and declined 2 percent year over year.

Separately, the **Equipment Leasing & Finance Foundation's** Monthly Confidence Index (MCI-EFI) for December is 48.5, a decrease from the November index of 49.9, reflecting industry participants' concerns regarding the impact of fiscal issues on capital expenditures, despite an overall sense of optimism in the equipment finance industry.

[ELFA President and CEO William G. Sutton, CAE](#), said: "New business volume in the equipment finance sector of the U.S. economy continues to show slow, but steady, growth. Credit quality and portfolio performance also trend positively as delinquencies and losses remain under control for MLFI-25 respondents. We are hopeful that, as recent 'fiscal cliff' negotiations between the White House and the Congress seem to be entering a decisive phase, businesses will interpret this as a sign that the economy gradually will pick up steam and is poised for a more robust recovery. Only with a confident business sector will the equipment finance marketplace thrive and, indeed, expand, as investment spending strengthens going forward."

[Tony Golobic, Chairman and CEO, GreatAmerica Financial Services](#), said, "For much of the year, we at GreatAmerica Financial Services had experienced a solid increase in our overall commercial equipment lease volume from throughout the country; however, as we edged our way into the fourth quarter we began to feel the effects of the lack of clarity in Washington regarding the budget deficit. Without question, concerns about the ballooning budget deficit and the resulting lack of tax clarity are causing indecision related to new capital expenditures within the business community. While cautiously optimistic with respect to the underlying economy,

we certainly need to have greater clarity on the new tax structure and where the spending cuts will be positioned. To the extent there is some business-friendly clarity, I believe we will see a return to the type of growth we had seen earlier in the year.”

### **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**  
**Canon Financial Services**

**Caterpillar Financial Services**  
**CIT**  
**De Lage Landen Financial Services**  
**Dell Financial Services**  
**Direct Capital Corporation**  
**EverBank Commercial Finance**  
**Fifth Third Equipment Finance**  
**First American Equipment Finance, a City National Bank Company**  
**GreatAmerica Financial Services**  
**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 \$725 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 more than 575 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)