



**Equipment Leasing and Finance Association's  
Survey of Economic Activity: Monthly Leasing and Finance Index**  
*October New Business Volume Up by 22 Percent Year-over-year,  
Down 16 Percent Month-to-month, Up 25 Percent YTD*

Washington, DC, November 22, 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 October was \$6.0 billion, up 22 percent from volume of \$4.9 billion in the same period in 2010. Volume was down 16 percent from the previous month. Year-to-date cumulative new business volume is up 25 percent.

Credit quality metrics were improved. Receivables over 30 days were the lowest in over two years, decreasing 2.2 percent in October from 2.3 percent in September. Charge-offs also declined, from 0.9 percent in September to 0.7 percent in October.

Credit standards tightened in October as the number of lease applications approved decreased nominally to 76.3 percent from 76.5 percent the previous month. Fifty-nine percent of participating organizations reported submitting more transactions for approval during the month.

Finally, total headcount for equipment finance companies in October was unchanged month to month and down 1.4 percent year over year. Supplemental data show that the construction and trucking industries led the underperforming sectors.

Separately, the **Equipment Leasing & Finance Foundation's** Monthly Confidence Index (MCI-EFI) for November is 57.4, up from the October index of 50.7, indicating an increase in optimism about business activity despite ongoing concerns about the global economic situation. 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: “The October decline in new business volume had more to do with typically strong end-of-third-quarter activity than a slowing demand for lease financing of assets by U.S. businesses. While concerns about the global credit markets continue to make headlines, American businesses continue to invest in productive equipment that will help keep the economy steadily moving in the right direction. Credit quality is strengthening, laying the foundation for economic expansion and stability as we lead into the new year.”

[Jim McGrane, President, EverBank Commercial Finance, Inc.](#), located in Parsippany, NJ, said, “We were pleased to see healthy year over year new business volume growth in October coming off a strong quarter end. Portfolio performance continues to stand out with delinquencies and charge-offs hovering near historical lows—a comforting trend in this uncertain economic environment. Continued growth in investment in equipment and software along with a substantive increase in the Monthly Confidence Index causes us to have confidence in future industry performance.”

### **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/packageers 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](http://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](http://www.leasefoundation.org)

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