

**Equipment Leasing and Finance Association's**  
**Survey of Economic Activity: Monthly Leasing and Finance Index**  
*January New Business Volume Up by 21 Percent Year-over-year*

Washington, DC, February 27, 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 January was \$5.1 billion, up 21 percent from volume of \$4.2 billion in the same period in 2011. Volume was down 53 percent from December, following the typical end-of-quarter, end-of-year spike in new business activity.

Credit quality metrics continued to improve. Receivables over 30 days decreased to 1.9 percent in January from 2.1 percent in December. Charge-offs decreased to 0.5 percent from 0.7 percent in December.

Following an unusually high credit approval ratio in December, credit approvals returned to a more typical level of 77 percent in January. More than 71 percent of participating organizations reported submitting more transactions for approval during January, down from 77 percent in December.

Finally, total headcount for equipment finance companies in January decreased 3.0 percent from December and was down 3.0 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 February is 59.6, a slight increase from the January index of 59.0, indicating industry participants' optimism is steady despite a cautious outlook about the global economic situation in the coming months. 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: "January's increase in new business volume returned to a more typical growth pattern following a very busy end-of-year for many leasing and finance companies. The continued strengthening in financing volume and trend toward healthier portfolios provide clear evidence that the equipment finance marketplace is in the midst of regaining some of the momentum lost during the Great Recession."

[Daniel McCabe, Senior Vice President, Sales and Marketing, John Deere Financial](#), located in Johnston, IA, said, "The Agriculture sector continues to operate at very high levels and equipment sales and financing are robust. The construction sector is recovering from a deep recession beginning with increases in the rental fleet portion of the industry. Adequate liquidity and favorable interest rates will support further expansion of the business."

## 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.

## ELFAMLFI-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/packagers 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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