

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

*April New Business Volume Up by 20 Percent Year-over-year, Down 10 Percent Over March*

Washington, DC, May 23, 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 April was \$6.1 billion, up 20 percent from volume of \$5.1 billion in the same period in 2011. Volume was down 10 percent from the previous month. Year-to-date cumulative new business volume is up 17 percent.

Receivables over 30 days decreased to 2.7 percent in April, down from 2.8 percent in March, and down by 18 percent compared to the same period in 2011. Charge-offs decreased to 0.6 percent, down from 0.7 percent the previous month, and down by 25 percent compared to the same period last year.

Credit approvals decreased to 76 percent in April from 78 percent in March. 76 percent of participating organizations reported submitting more transactions for approval during April, up from 67 percent in March.

Finally, total headcount for equipment finance companies in April increased 0.7 percent from the previous month, and was down 4.1 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 May is 59.2, down slightly from the April index of 62.1, reflecting uncertainty about the pace of U.S. economic growth and concerns about global political and economic factors. 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: “April’s new business volume and credit quality metrics appear to provide evidence that the equipment finance sector continues to gain momentum. Recent anecdotal information from ELFA members gathering in Washington, D.C., for a series of leadership meetings in mid-May supports the observation that the demand cycle for capital equipment parallels the broader economy in that both continue to strengthen, albeit slowly.”

[Judson M. Snyder, President of BMO Harris Equipment Finance Company](#), headquartered in Milwaukee, WI, said: “We are seeing strong demand for financing in the transportation and energy sectors beginning in the end of 2011 and continuing through April of 2012. Many of these companies postponed replacing equipment during the financial crisis and are faced with the choice of increasing maintenance costs on older equipment or purchasing new. The ongoing historically low interest rate environment has made today an attractive time to replace and finance that equipment. We are also beginning to see requests for equipment relating to expansion and new contracts in the general manufacturing sector. These types of projects are a sign of a firmer economic recovery and we are hopeful that they will continue to develop throughout the summer and fall of 2012.”

## 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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