

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

*August New Business Volume Up by 21 Percent Year-over-year, 5 Percent Month-to-month, 16
Percent Year-to-date*

Washington, DC, September 25, 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 August was \$6.9 billion, up 21 percent from volume of \$5.7 billion in the same period in 2011. Volume was up 5 percent from the previous month. Year-to-date cumulative new business volume increased 16 percent.

Receivables over 30 days decreased for the third consecutive month to 1.9 percent, down from 2.2 percent in July and down 24 percent when compared to the same period in 2011. Charge-offs were unchanged from the previous month at 0.4 percent, and down by 33 percent compared to the same period last year.

Credit approvals decreased slightly to 77.0 percent in August from 77.5 percent in July. Sixty-two percent of participating organizations reported submitting more transactions for approval during August, down from 65.5 percent the previous month.

Finally, total headcount for equipment finance companies was unchanged from the previous month, and declined 3.0 percent year over year.

Separately, the **Equipment Leasing & Finance Foundation's** Monthly Confidence Index (MCI-EFI) for September is 53.0, up from the August index of 50.2, reflecting increased optimism despite concerns over companies' willingness to expand their businesses in the face of economic and political uncertainty.

[ELFA President and CEO William G. Sutton, CAE](#), said: "The pace of new equipment financing continued throughout the summer months as the housing sector, for one, showed signs of a rebound. However, businesses, both large and small, continue to build up cash reserves, indicating lingering apprehension over increasing energy prices, instability in the Arab world and a still fragile Eurozone economy."

[Thomas Depping, Chief Executive Officer, Ascentium Capital](#), said, "The general origination and credit quality trends detailed above mirror our experience at Ascentium Capital. The credit quality of our applications remains unprecedentedly strong and our delinquencies at historic lows. Although we have hedged ourselves against another possible global economic slowdown, we continue to expand our sales force as we have a generally optimistic view of our future. One thing I have learned over the past 30 years in the industry is that being over-capitalized and having substantial excess liquidity is never a bad thing."

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
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.

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

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