

Equipment Leasing and Finance Association's
Survey of Economic Activity: Monthly Leasing and Finance Index
January New Business Volume Up by 16 Percent Year-over-year

Washington, DC, February 26, 2013— 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 January was \$5.9 billion, up 16 percent from volume of \$5.1 billion in the same period in 2012. Volume was down 49 percent from December, following the typical end-of-quarter, end-of-year spike in new business activity.

Receivables over 30 days increased to 1.8 percent in January after hitting their lowest level in the last two years in December at 1.6 percent. They were down from 1.9 percent in the same period in 2012. Charge-offs were at an all-time low of 0.3 percent, down from 0.6 percent the previous month.

Credit approvals totaled 78.3 percent in January, down 0.3 % from December. Finally, total headcount for equipment finance companies was up 0.7 percent from the previous month, and increased 0.6 percent year over year.

Separately, the **Equipment Leasing & Finance Foundation's** Monthly Confidence Index (MCI-EFI) for February is 58.7, an increase from the January index of 54.2, reflecting industry participants' increasing optimism despite a wary eye on economic conditions and government management of fiscal policies.

[ELFA President and CEO William G. Sutton, CAE](#), said: "The year begins where 2012 left off—on a positive note—as new business volume continues to trend in a positive direction. A flurry of activity at the end of the year gave way to more moderate growth in January. MLFI-25 participants also indicate strong credit quality metrics as both losses and delinquencies improved over the year-earlier period. This good news belies an overhang of continued uncertainty that lingers in the marketplace, as policy makers in Washington continue to struggle with fiscal matters, which only serves as a damper to economic growth."

[Irv Rothman, President & CEO, HP Financial Services](#), located in Berkeley Heights, NJ, said, "We remain optimistic for industry growth as enterprise and government entities increasingly utilize leasing and financing offers to help keep pace with technology change. With rapidly evolving business and IT demands, we continue to see interest from customers for the flexibility leasing, financing and lifecycle asset management provides."

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.

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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