

**Equipment Leasing and Finance Association's**  
**Survey of Economic Activity: Monthly Leasing and Finance Index**  
*March New Business Volume Flat Year-over-year, Up 45 Percent Month-to-month*

Washington, DC, April 23, 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 March was \$6.8 billion, flat compared to volume in March 2012. Month-over-month, new business volume was up 45 percent from February. Year to date, cumulative new business volume was up three percent compared to 2012.

Receivables over 30 days were unchanged in March from the previous month at 2.0 percent. They were down from 2.8 percent in the same period in 2012. Charge-offs were down slightly, returning to the all-time low of 0.3 percent from 0.4 percent in February.

Credit approvals totaled 78.4 percent in March, up 1 percent from February. Fifty percent of participating organizations reported submitting more transactions for approval during March, down from 53 percent the previous month.

Finally, total headcount for equipment finance companies was relatively unchanged from the previous month, and decreased 2 percent year over year.

Separately, the **Equipment Leasing & Finance Foundation's** Monthly Confidence Index (MCI-EFI) for April is 54.0, a decrease from the March index of 58.0, reflecting industry participants' continuing concerns over the economy and the impact of federal policies on capital expenditures.

[ELFA President and CEO William G. Sutton, CAE](#), said: "After a sluggish February, March business activity returned to a degree of normalcy that hopefully is sustainable into the second half of the year. The continued low interest rate environment promoted by the Fed together with relatively benign fundamentals in the broader economy bode well for businesses planning to expand and grow in the coming months and invest in capital equipment."

[Russell Nelson, President, CoBank Farm Credit Leasing](#), said: "Given the continuation of the low interest rate environment, favorable credit quality trends, industry discipline for sustainable growth with acceptable risk-adjusted returns, and customer demand for financing primarily replacement assets, the pace of activity in the first quarter has been steady, but less robust than the fourth quarter of 2012. Influencing factors weighing on future capex, both replacement and expansion, are continued uncertainty and volatility in the current domestic/global economies, pending tax, accounting, and regulatory changes, and political uncertainty in Washington.

#### **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/package 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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