

Equipment Leasing and Finance Association's
Survey of Economic Activity: Monthly Leasing and Finance Index
May New Business Up 21 Percent Year-over-year, Unchanged Month-to-month

Washington, DC, June 21, 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 May was \$7.5 billion, up 21 percent compared to volume in May 2012. Month-over-month, new business volume was unchanged from April. Year to date, cumulative new business volume was up 11 percent compared to 2012.

Receivables over 30 days were at 1.6 percent in May, matching an historic low, and down from the previous three months at 2.0 percent. Delinquencies declined from 2.7 percent in the same period in 2012. Charge-offs were unchanged for the past three months at the all-time low of 0.3 percent.

Credit approvals totaled 78.8 percent in May, up from 77.2 percent in April. Sixty-three percent of participating organizations reported submitting more transactions for approval during May, down from 72 percent the previous month.

Finally, total headcount for equipment finance companies was up one percent from the previous month, and up one percent year over year.

Separately, the **Equipment Leasing & Finance Foundation's** Monthly Confidence Index (MCI-EFI) for June is 57.3, an increase from the May index of 56.7.

[ELFA President and CEO William G. Sutton, CAE,](#) said: “May MLFI-25 data suggest an equipment finance sector on the verge of a breakout performance. While recent key indicators show an overall improvement in lending to the small business sector, the May numbers provide concrete evidence of growing demand for productive assets by a cross section of the business community. At the same time, historic lows in delinquencies and charge-offs mean American businesses are better able to meet their financial obligations, creating a favorable environment for additional capital investment and job creation. We hope that these trends will continue into the summer.”

[Robert Rinaldi, Senior Vice President, CSI Leasing, Inc.,](#) said, “The fact that all of the metrics are going in the right direction is really encouraging. Many lessors have seen these ups in new business volume (NBV) followed by subsequent down months, evidenced in the ‘saw-tooth’ pattern of the NBV chart. But, and this is a good news ‘but,’ if you run a six-month rolling average on the NBV data over the past six years to smooth out the ‘saw-tooth,’ a clearer picture of definitive growth appears.”

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