

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

*September New Business Down 6 Percent Year-over-year, Up 20 Percent Month-to-month, Up 6  
Percent Year-to-date*

Washington, DC, October 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 September was \$7.7 billion, down 6 percent compared to volume in September 2012. Month-over-month, new business volume was up 20 percent from August. Year to date, cumulative new business volume increased 6 percent compared to 2012.

Receivables over 30 days were at 1.5 percent in September, down slightly from 1.6 percent in August. Delinquencies declined from 1.8 percent in the same period in 2012. Charge-offs were unchanged from August at 0.4 percent, and only slightly higher than the previous five months' all-time low of 0.3 percent.

Credit approvals totaled 77.3 percent in September, down from 79.1 percent the previous month. Fifty-six percent of participating organizations reported submitting more transactions for approval during September, unchanged from the previous month.

Finally, total headcount for equipment finance companies was up 1.2 percent year over year.

Separately, the **Equipment Leasing & Finance Foundation's** Monthly Confidence Index (MCI-EFI) for October is 54.0, a decline from the September index of 61.3, demonstrating the negative impact of the federal government's budget response on an otherwise steady industry outlook.

[ELFA President and CEO William G. Sutton, CAE](#), said: "September's year-over-year drop in new business volume seems to reflect a pull-back in corporate confidence in the U.S. economy spawned by the fiscal crisis in Washington. Uncertainty created by the inability of policy makers to come together to agree on sustained tax and spending policy is holding back the U.S. economy, and in particular, capital investment. The equipment finance industry and our members look forward to getting past this crisis and on with the business of supporting sound growth policies that stimulate capital formation, stabilize the capital markets, and, ultimately, strengthen our economy."

[Daniel Krajewski, Vice President, Business Development, Direct Capital Corporation](#), said, "After an expected decline in the summer months there was a healthy rebound in activity in September, which exceeded the early Q2 spike. We remain cautiously optimistic about the continued growth in the sector and are encouraged to see that average delinquency metrics remain low. We believe that we will close out the year strong, but are consistently monitoring the economic and governmental issues that may impact demand."

**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**  
**LEAF Commercial Capital**  
**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](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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Media/Press Contact: Amy Vogt, Vice President, Communications and Marketing, ELFA, 202-238-3438 or [avogt@elfaonline.org](mailto:avogt@elfaonline.org).