

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

January New Business Volume Up 2 Percent Year-over-year, Down 44 Percent Month-to-month

Washington, DC, February 26, 2014— 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 \$827 billion equipment finance sector, showed their overall new business volume for January was \$6 billion, up 2 percent from new business volume in January 2013. Volume was down 44 percent from December, following the typical end-of-quarter, end-of-year spike in new business activity.

Receivables over 30 days were at 1.8 percent in January, down slightly from 1.9 percent in December. Delinquencies were unchanged from the same period in 2013. Charge-offs were unchanged from the previous two months at the all-time low of 0.3 percent.

Credit approvals totaled 76.9 percent in January, a decrease from 78.3 percent the previous month. Fifty-four percent of participating organizations reported submitting more transactions for approval during January, a decrease from 57 percent December.

Finally, total headcount for equipment finance companies was up 0.7 percent year over year.

Separately, the **Equipment Leasing & Finance Foundation's** Monthly Confidence Index (MCI-EFI) for February is 63.3, the second highest index in two years and off slightly from last month's two-year index high of 64.9.

[ELFA President and CEO William G. Sutton, CAE](#), said: "At the start of the new year, equipment finance activity picked up where it left off for most of 2013. New business volume shows modest, incremental growth while credit losses continue at historic lows. With fiscal pressures in Washington subsiding, at least for the time being, and most major U.S. economic indicators showing positive signs, we are hopeful that these factors will help promote a favorable climate for continued investment by U.S. businesses in capital equipment in 2014 and beyond."

[Martha Ahlers, VP/COO, United Leasing, Inc.](#), said, "The Monthly Confidence Index results for the last two reported periods provide continued optimism for the year ahead. Beginning 2014 with a 63.3 MCI, the 2nd highest mark in the last 24 months, is also extremely promising and serves as evidence of stability and positive velocity within our industry. In the Monthly Leasing and Finance Index, origination volumes year-over-year are also up, while maintaining historically low delinquency and charge-offs; an indication of continued health. The combination of these positive indicators creates a huge amount of excitement for potential growth."

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
TCF Equipment 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 \$827 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 580 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. For more information, please visit www.elfaonline.org.

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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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