

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

*May New Business Volume Down 8 Percent Year-over-year, Down 14 Percent Month-to-month, Up 3
Percent Year-to-date*

Washington, DC, June 24, 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 May was \$6.9 billion, down 8 percent from new business volume in May 2013. Month-over-month, new business volume was down 14 percent from April. Year to date, cumulative new business volume increased 3 percent compared to 2013.

Receivables over 30 days were unchanged from the previous month at 2.0 percent, and were up from 1.6 percent from the same period in 2013. Charge-offs were unchanged from the previous two months at an all-time low of 0.2 percent.

Credit approvals totaled 76.1 percent in May, a decrease from 77.4 percent the previous month. Total headcount for equipment finance companies was up 1.0 percent year over year.

Separately, the **Equipment Leasing & Finance Foundation's** Monthly Confidence Index (MCI-EFI) for June is 61.4, an easing from three consecutive months of two-year high levels which topped at 65.4.

[ELFA President and CEO William G. Sutton, CAE](#), said: "The small decline in new business volume makes the case for a slow recovery in certain sectors of the economy in which equipment financing plays an important role. As noted previously, the momentum created by monthly increases in equipment financings on a consistent basis will be difficult to maintain, particularly as certain segments of the U.S. economy try to regain their footing from the economic downturn experienced a few years ago. It is important to note, however, that cumulative new business volume is still up for the year."

[Daniel McKew, President, Capital One Equipment Finance](#), said, "While you could look at the collective data reported for the month of May and conclude that there may be an across the board easing in equipment finance, it is so modest that I see it as a minor pause in preparation for the final half of the year that naturally produces more velocity. I am also very encouraged that the Fed's continued quantitative easing could impact interest rates. Even a modest rise will help the market balance, allow it to arbitrage and create increased velocity."

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/packagers and investment banks, as well as manufacturers and service providers. For more information, please visit www.elfaonline.org.

Follow ELFA:

Twitter: @ELFAonline

LinkedIn: <http://www.linkedin.com/groups?gid=89692>

Facebook: <https://www.facebook.com/ELFApage>

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

###

Media/Press Contact: Amy Vogt, Vice President, Communications and Marketing, ELFA, 202-238-3438 or avogt@elfaonline.org.