

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

June New Business Volume Up 5 Percent Year-over-year, Up 30 Percent Month-to-month, Up 3 Percent Year-to-date

Washington, DC, July 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 June was \$9 billion, up 5 percent from new business volume in June 2013. Month over month, new business volume was up 30 percent from May. Year to date, cumulative new business volume increased 3 percent compared to 2013.

Receivables over 30 days decreased from the previous month at 1.6 percent, and were up from 1.4 percent in the same period in 2013. Charge-offs were unchanged for the third consecutive month at an all-time low of 0.2 percent.

Credit approvals totaled 80.1 percent in June, an increase from 76.1 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 July is 61.4, unchanged from the previous month.

[ELFA President and CEO William G. Sutton, CAE](#), said: "New business volume shows steady year-over-year growth as businesses continue to invest in plant and equipment. It remains to be seen whether and to what extent the Fed's recent stance toward a gradually tightened monetary policy and resultant increase in short- and long-term rates in the coming months is providing a stimulus for this rise in capital expenditure (CAPEX)."

[Edward Dahlka, President, Cole Taylor Equipment Finance](#), said, "Although May's MLFI showed a modest decline in new business volume, most industry experts would have expected the stronger results reported in June. In reviewing the MLFI year-over-year comparison, all of the quarter results are strongest in the last month of each quarter. Two things need to happen to help our industry grow and prosper. The Fed needs to let interest rates rise (which favors a fixed rate product) and lenders need to remain firm on credit quality. The equipment finance industry has a strong marketing culture and most of us believe that if we continue to see even a modest increase in capital expenditures our industry could enjoy a stronger increase in new business volume over the last two quarters. Let's all hope that happens."

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