

**Equipment Leasing and Finance Association's
Survey of Economic Activity: Monthly Leasing and Finance Index
August New Business Volume Up 13 Percent Year-over-year, Down 9 Percent Month-to-month, Up 6
Percent Year-to-date**

Washington, DC, September 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 August was \$7.2 billion, up 13 percent from new business volume in August 2013. Month over month, new business volume was down 9 percent from July. Year to date, cumulative new business volume increased 6 percent compared to 2013.

Receivables over 30 days increased from the previous month to 1.3 percent, and were up from 1 percent in the same period in 2013. Charge-offs were unchanged for the fifth consecutive month at an all-time low of 0.2 percent.

Credit approvals totaled 79.5 percent in August, a slight decrease from 80.3 percent the previous month. Total headcount for equipment finance companies was up 1 percent year over year.

Separately, the **Equipment Leasing & Finance Foundation's** Monthly Confidence Index (MCI-EFI) for September is 60.2, an increase from the previous month's index of 58.9.

[ELFA President and CEO William G. Sutton, CAE](#), said: "Continued strength in new business volume reflects the uptick in overall economic activity most economists forecast for the second half of 2014. Solid fundamentals—modest GDP growth; an improving labor market; increased consumer spending, as evidenced by strong auto sales; and low interest rates—all bode well for continued business investment in general, and the equipment finance sector, in particular. Credit quality appears manageable as well, although the index shows a slight uptick in delinquencies. Tempering this relatively good news is concern over recent geopolitical events relating to the fight against terrorism."

[Larry R. Stevens, President and Chief Executive Officer, Med One Capital](#), said, "The YTD-2014 metric measured by the MLFI-25 demonstrates a solid year in the equipment finance industry. If the month-to-month trends continue for the remainder of 2014, our industry will experience the strongest new business performance since well before the beginning of the recession. The industry seems to have recovered much of the strength and momentum that was lost during the financial meltdown and resultant uncertainties experienced in 2009 and 2010. This trend is largely consistent with what we are experiencing in healthcare equipment financing. The high quality reflected in the portfolios of the reporting companies demonstrates that in the face of increasing volume, credit quality remains a high priority within our industry. If this continues, it will serve us well as pressure grows to increase new business volumes in the years ahead."

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

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.

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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.